John J. Voemastek to be postmaster at Rib Lake, Wis., in place of J. J. Voemastek. Incumbent's commission expired June 18, 1938.

Helen T. Donalds to be postmaster at St. Croix Falls, Wis., in place of H. T. Donalds. Incumbent's commission expired May 28, 1938.

James S. Kennedy to be postmaster at Shell Lake, Wis., in place of J. S. Kennedy. Incumbent's commission expired June 12, 1938.

John S. Dodson to be postmaster at Siren, Wis., in place of J. S. Dodson. Incumbent's commission expired June 15, 1938.

WITHDRAWAL

Executive nomination withdrawn from the Senate April 17, 1939

INTERSTATE COMMERCE COMMISSION

Thomas R. Amlie to be an Interstate Commerce Commissioner.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 17, 1939

The House met at 12 o'clock noon.

The Reverend Alcuin W. Tasch, O. S. B., St. Vincent College, Latrobe, Pa., offered the following prayer:

Almighty and eternal God, Creator of the universe and Ruler over the hearts of men, we humbly come to Thee and beg Thine assistance for the important task that lies before us today. Give us, O Lord, wisdom that we may have a true insight into the serious problems that affect our national life. Endow our minds with prudence and understanding that we may work out a solution that is based on justice and charity and whatever safeguards the blessings of liberty, the precious heritage of our free people.

Fill our hearts with courage that we may do our duty as we honestly see it. As representatives of a Christian nation, we acknowledge Thy supreme dominion over us, and implore Thy blessing on our deliberations.

Bless us, O God, we beseech Thee. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Thursday, April 13, 1939, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 136. An act to authorize contingent expenditures, United States Coast Guard Academy;

H. R. 534. An act for the relief of Hallie H. Woods;

H. R. 590. An act for the relief of Macey N. Bevan;

H. R. 2056. An act for the relief of the Shipowners & Merchants Towboat Co., Ltd.;

H. R. 2064. An act for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings;

H. R. 2073. An act to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes;

H. R. 2595. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.;

H. R. 3655. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931;

H. R. 3946. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1939 Reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939, and for other purposes;

H. R. 4830. An act to amend the act approved April 27, 1937, entitled "An act to simplify accounting"; and

H. R. 5482. An act to increase the authorization for appropriations for the administration of State unemployment compensation laws.

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4117. An act to provide for the payment of attorney's fees from Osage tribal funds.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 38. An act for the relief of Curtis Jett;

S. 70. An act to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi;

S. 197. An act to amend the Judicial Code in respect to claims against the United States for just compensation;

S. 289. An act for the relief of the West Virginia Co.;

S. 431. An act for the relief of Mrs. Quitman Smith;

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.;

S. 821. An act for the relief of Charles L. Kee;

S. 891. An act for the relief of J. C. Grice;

S. 919. An act for the relief of William Boyer;

S. 1016. An act to authorize reimbursement of appropriations on account of expenditures in connection with disposition of old material, condemned stores, and so forth;

S. 1020. An act to authorize the purchase of equipment and supplies for experimental and test purposes;

S. 1088. An act to authorize the Administrator of Veterans' Affairs to exchange certain property located at Veterans' Administration facility, Tuskegee, Ala., title to which is now vested in the United States, for certain property of the Tuskegee Normal and Industrial Institute;

S. 1096. An act to amend section 8c of the Agricultural Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples;

S. 1109. An act to amend the act entitled "An act to aid the several States in making or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds;

S. 1164. An act for the relief of Nadine Sanders;

S. 1275. An act to amend the United States Housing Act of 1937, and for other purposes;

S. 1339. An act for the relief of Grace S. Taylor;

S. 1416. An act to make the provisions of the Employees' Compensation Act applicable to civil officers of the United States;

S. 1487. An act for the relief of the Postal Telegraph-Cable Co.;

S. 1569. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 1574. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Pittsburgh, Pa., from August 27 to September 1, inclusive, 1939;

S. 1688. An act for the relief of Joseph W. Parse;

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;

S. 1796. An act to amend the Tennessee Valley Authority Act of 1933;

S. 1871. An act to prevent pernicious political activities;

S. 1882. An act for the relief of Thomas A. Ross;

S. 1886. An act to extend to June 16, 1942, the period within which certain loans to executive officers of member banks of the Federal Reserve System may be renewed or extended;

S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as Assistant to the Surgeon General;

S. 1985. An act to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937; and

S. 2050. An act to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18 of February 23, 1865.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 911. An act for the relief of Roscoe C. Prescott, Howard Joslyn, Arthur E. Tuttle, and Robert J. Toulouse.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 1117) entitled "An act to provide for the reimbursement of certain enlisted men or former enlisted men of the United States Navy for the value of personal effects lost in the hurricane at the submarine base, New London, Conn., on September 21, 1938," with an amendment.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address made by a former Member of the House, Hon. Edward C. Eicher, of Iowa, at Wichita, on Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a resolution of the Senate of the State of Tennessee.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

T. V. A. MINORITY REPORT—PEOPLE OF NEW JERSEY OVERCHARGED $49,352,200 A YEAR FOR ELECTRIC LIGHTS AND POWER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, on last Wednesday, April 12, the gentleman from New Jersey [Mr. WOLVERTON] placed in the CONGRESSIONAL RECORD a speech which he delivered over the radio attacking the T. V. A. yardstick as a proper measurement for electric-light and power rates to the ultimate consumer. In that speech he invited his hearers to write him "care of the House of Representatives Office Building in Washington," and stated that he should "be glad to send you a copy of the minority T. V. A. report," which looks like an attempt to flood the country with that minority report for propaganda purposes. I wonder who is going to pay for the printing of those extra copies.

As I pointed out on the floor of the House several days ago, that minority report, signed by the gentleman from New Jersey [Mr. WOLVERTON], the gentleman from Ohio [Mr. JENKINS], and the Senator from Pennsylvania [Mr. DAVIS], is largely a rehash of the propaganda that is being put out against the T. V. A. yardstick, of which the radio speech of the gentleman from New Jersey [Mr. WOLVERTON] is a fair sample, as I shall show in the course of these remarks.

This proposition vitally affects everyone who pays an electric bill. Practically every one of them is overcharged at least 100 percent. The man who is paying two or three times what his electricity is worth, the woman who is denied the use of an electric iron or a refrigerator because of these high rates, the power consumers generally who are paying this billion dollars in overcharges each year—they are beginning to think of their Congressmen, their Senators, and every other elected official every time they turn an electric switch or pay an electric bill.

That should be particularly true in New Jersey, and I will tell you why. The gentleman from New Jersey [Mr. WOLVERTON], in the course of this radio broadcast in which he invited his hearers to write him for copies of the minority report attacking the T. V. A. yardstick says, "Electricity is being furnished to the consumers in the Tennessee Valley by the T. V. A. at less than cost." In other words he tells you the T. V. A. yardstick rates are too low.

Now, let us see about that. Let us see what those rates are and whether or not they are justified. Remember the yardstick rates are the retail rates—the rates the ultimate consumer has to pay.

Here are the T. V. A. yardstick rates. I wish everyone who turns an electric switch could read them. They are not too low; if anything, they are too high, and will be reduced as time goes on. Everybody in America should be able to get electricity at these rates. But that is what the opposition is fighting to prevent.

T. V. A. residential yardstick rates to ultimate consumers

	Cents per kilowatt-hour
First 50 kilowatt-hours per month	3
Next 150 kilowatt-hours per month	2
Next 200 kilowatt-hours per month	1
Next 1,000 kilowatt-hours per month	.4
Excess over 1,400 kilowatt-hours per month	.75

If a residential consumer uses 1,400 kilowatt-hours or more a month, the average cost will be 7½ mills a kilowatt-hour.

T. V. A. commercial yardstick rates to ultimate consumers

	Cents per kilowatt-hour
First 250 kilowatt-hours per month	3
Next 750 kilowatt-hours per month	2
Next 1,000 kilowatt-hours per month	1
Excess over 2,000 kilowatt-hours per month	.8

T. V. A. industrial yardstick rates to ultimate consumers

DEMAND CHARGE

	Per kilowatt
First 1,000 kilowatt-hours of demand per month	$1.00
Excess over 1,000 kilowatt-hours of demand per month	.90

ENERGY CHARGE

	Mills per kilowatt-hour
First 10,000 kilowatt-hours per month	10
Next 25,000 kilowatt-hours per month	6
Next 65,000 kilowatt-hours per month	4
Next 400,000 kilowatt-hours per month	3
Next 1,500,000 kilowatt-hours per month	2.5
Excess over 2,000,000 kilowatt-hours per month	2

These are the retail rates that should be paid by the ultimate consumers of electricity for the three classes of service in every State in the Union, including New Jersey, Ohio, and Pennsylvania.

The T. V. A. is selling this power at wholesale to the municipalities and cooperative associations throughout the T. V. A. area. Now remember the T. V. A. sells this power at wholesale to the municipalities and cooperative associations and they retail it to the ultimate consumers at the yardstick rates.

During the month of February 1939 the city of Tupelo, Miss., which is about 100 miles from the Wilson Dam, and which uses on an average of about 10,000,000 kilowatt-hours a year, paid the T. V. A. 5.35 mills per kilowatt-hour for electricity laid down in Tupelo, while Florence, Ala., which is in sight of the Wilson Dam, and which uses about the same amount of electricity used in Tupelo, or a little more, paid the T. V. A. 4.82 mills a kilowatt-hour for its electricity during the month of February 1939.

During the Hoover administration, when the Republicans were in power, that administration made a contract to sell this power generated at Wilson Dam to the Commonwealth & Southern, for 5 years, at less than 2 mills a kilowatt-hour, which they said would yield the Government a reasonable return on that part of the investment charged to power.

Two of the gentlemen who signed this minority report, Mr. WOLVERTON and Mr. JENKINS, were Members of Congress at that time and alined with the Hoover administration, and Senator DAVIS, the other signer, was a Member of Mr. Hoover's cabinet.

If it was profitable to sell this power to the Power Trust at less than 2 mills a kilowatt-hour when the Republicans were in power, then how can they contend that it is being sold at a loss now when it is being delivered to Florence, Ala., in sight of the dam, at 4.82 mills a kilowatt-hour, or more than three times the price at which it was sold to the Power Trust by the Hoover administration?

The record shows that the Commonwealth & Southern paid the Government only 1.56 mills a kilowatt-hour for this power the last year this contract was in force.

During the life of that contract the power company was selling this power to the residential consumers in Florence, Ala., in sight of the dam, at 10 cents a kilowatt-hour, or a spread of approximately 6,000 percent. The city of Florence is now selling it at the T. V. A. yardstick rates, which is a maximum of 3 cents a kilowatt-hour, as shown by the tables which I have just inserted, and is making money by the transaction.

The following table showing the power company rates in Florence, Ala., in 1932, and the T. V. A. yardstick rates now in force in Florence, furnishes a deadly parallel that every power consumer in America should see. It also applies to Tupelo, Miss., and all the cities, towns, and communities that were then served by the power companies and are now enjoying T. V. A. power at the T. V. A. yardstick rates.

Here is a comparative table up to 1,400 kilowatt-hours per month:

Residential rates, Florence, Ala.

	Power-company rates, 1932	T. V. A. yardstick rates, 1939
First 30 kilowatt-hours a month	$3.00	$0.90
Next 170 kilowatt-hours a month	13.60	3.60
Next 300 kilowatt-hours a month	21.00	2.40
Next 350 kilowatt-hours a month	21.00	1.40
Next 550 kilowatt-hours a month	27.50	2.20
Total (1,400 kilowatt-hours a month)	86.10	10.50

I wish every person who pays an electric-light bill anywhere in the United States, and especially in New Jersey, Ohio, and Pennsylvania, could see this table and could take these T. V. A. yardstick rates and compare them with the rates they now have to pay. Then they would understand why those of us who are leading this fight are struggling so desperately to force reduction of light and power rates to the T. V. A. yardstick levels in every State in the Union.

But the gentleman from New Jersey [Mr. WOLVERTON] tells you that this electricity is being furnished to the consumers in the Tennessee Valley by the T. V. A. "at less than cost." Surely he is not trying to say that the T. V. A. wholesale rates are too low, when they are about three times the rates at which his administration was selling this power to the Power Trust in 1930.

Is he trying to say that the T. V. A. yardstick rates are too low, when every municipality that handles T. V. A. power is making a profit?

Let us turn to his State of New Jersey and see what the rates are in his State and what they should be.

During the year 1937 the New Jersey Power & Light Co. sold to the Metropolitan Edison Co. 174,220,000 kilowatt-hours of electricity wholesale at 3.85 mills a kilowatt-hour, and during the first 6 months of 1938 the New Jersey Power & Light Co. sold to the Metropolitan Edison Co. 90,824,000 kilowatt-hours of electricity at 3.79 mills per kilowatt-hour.

That power was sold at wholesale, at a lower rate than the T. V. A. sells power to Florence, Ala., or to any other municipality or cooperative association in the entire T. V. A. area.

That is not unusual; during the year 1937 the Alabama Power Co. sold to the Mississippi Power Co. 145,580,000 kilowatt-hours of firm power, delivered in Mississippi at points ranging from the immediate T. V. A. area to the Gulf coast, at 4.22 mills a kilowatt-hour, which is a lower rate than the T. V. A. sells power wholesale to Florence, Tupelo, Amory, Corinth, or any other municipality or cooperative association in the entire T. V. A. area.

During the year 1937 the Louisiana Power & Light Co. sold and delivered to the Arkansas Power & Light Co. in Arkansas 235,195,000 kilowatt-hours of firm power at 3.5 mills a kilowatt-hour. During the first 6 months of 1938 the Louisiana Power & Light Co. sold to the Arkansas Power & Light Co. 54,179,000 kilowatt-hours of firm power at 2.39 mills a kilowatt-hour—or less than half the rate paid the T. V. A. by the city of Tupelo, or even by Florence, Ala., right at the dam, or by any other city, town, or cooperative association throughout the entire T. V. A. area.

All of this power could have been distributed to the people of these States at the T. V. A. yardstick rates shown in the tables which I have inserted. But instead of that, let us see what happened. In the State of New Jersey, we will say, the home of the distinguished gentleman [Mr. WOLVERTON] who so bitterly attacks the T. V. A. yardstick, as I have just pointed out, this power was sold by the New Jersey Power Co. to the Metropolitan Edison Co. wholesale at 3.79 mills a kilowatt-hour. It could have been distributed to the people of New Jersey at the T. V. A. yardstick rates with a profit to the power company that distributed it.

Witnesses for the power companies testified in the T. V. A. investigation that electricity could be produced with coal at $3 a ton at 4.18 mills a kilowatt-hour anywhere in the United States. That power could also be distributed profitably at the T. V. A. yardstick rates.

But let us see what actually happened.

In 1937 the people of New Jersey used 3,070,594,000 kilowatt-hours of electricity, for which they paid $94,549,900. Under the T. V. A. yardstick rates it would have cost them $45,197,700, or $49,352,200 less than they actually paid for it.

In other words, the people of New Jersey, the ultimate consumers who turn the switches and pay the bills, were overcharged $49,352,200 a year for electric lights and power, according to the T. V. A. yardstick rates—when power is being sold wholesale to the power companies in that State at a lower rate than that paid to the T. V. A. by the municipalities that are distributing this power throughout the T. V. A. area at the yardstick rates.

Under the Tacoma, Wash., rates these 3,070,594 kilowatt-hours, for which the people of New Jersey paid $94,549,900 in 1937, would have cost them $41,219,600, or $53,330,300 less than they actually paid for it, showing an overcharge to the people of New Jersey for electricity in 1 year, according to the T. V. A. rates, of $53,330,300.

Under the Ontario rates, now in effect throughout the Province of Ontario, Canada, this power which cost the people of New Jersey, the ultimate consumers, $94,549,900, would have cost them $35,902,500, which shows that, according to the Ontario rates, the people of New Jersey were overcharged $58,647,400 for electric lights and power during the year 1937.

At the rates this power was sold to the power companies wholesale throughout that area, they could have retailed it to the ultimate consumers at the Ontario rates without loss.

It seems to me that instead of attacking the T. V. A. yardstick, or trying to destroy the last hope of the power consumers of America for cheap electricity, or for rates based upon the cost of generation, transmission, and distribution, the gentleman from New Jersey [Mr. WOLVERTON] should be devoting his time to trying to relieve the people of his own State of this enormous burden of $58,000,000 a year in overcharges which they are now paying as tributes to the Power Trust.

There are 988,703 residential consumers of electricity in the State of New Jersey. Last year they used 640,527,000 kilowatt-hours of electricity, for which they paid $36,004,300. Under the T. V. A. yardstick rates it would have cost them $17,894,100, which shows that these helpless residential users of electricity in New Jersey paid overcharges, according to the T. V. A. rates, amounting to $18,110,200 a year. Under the Tacoma rates the cost to them would have been $17,642,100, which shows an overcharge, according to the Tacoma rates, of $18,362,200 a year. Under the Ontario rates, instead of costing $36,004,300, this amount of electricity would have cost the residential consumers of New Jersey during the year 1937, $12,781,500, which shows an overcharge, according to the Ontario rates, of $23,222,800 a year. The result is that the people of New Jersey have to pay such high rates that they use the minimum amount of

electricity. The residential consumers of that State use only about 50 kilowatt-hours a month when they should use more than 200 kilowatt-hours a month, as they do in Tupelo.

These high rates not only hold down the consumption of electricity, but they prevent the use of those electrical appliances necessary for the comforts and conveniences of their homes, and for the successful operation of every business establishment in New Jersey.

Now let us turn to the commercial consumers in New Jersey, the merchants, the hotel, restaurant, and filling-station operators, and all others who pay commercial rates, and see how they suffer as a result of these overcharges. There are 194,475 commercial consumers of electricity in New Jersey. In 1937 they used 749,312,000 kilowatt-hours of electricity, for which they paid $34,282,100. Under the T. V. A. yardstick rates they would have paid $14,055,700, or $20,226,400 less. Under the Tacoma rates they would have paid $14,672,700, or $19,609,400 less; while under the Ontario rates they would have paid $11,450,200, or $22,831,900 less.

In other words these helpless commercial consumers of electricity in New Jersey paid approximately three times as much for their electricity as they would have paid under the Ontario rates, and more than twice as much as they would have paid under the Tacoma rates or under the T. V. A. yardstick rates.

Now let us see what the industrial consumers in New Jersey have to pay for this power that is being sold wholesale to the private power companies there at a lower rate than the T. V. A. is selling power to the municipalities throughout the T. V. A. area:

There are 24,664 industrial consumers of electricity in the State of New Jersey. During the year 1937 they used 1,680,755,000 kilowatt-hours of electric energy, for which they paid $24,263,500. Under the T. V. A. yardstick the cost would have been $13,247,900, or $11,015,600 less than they paid—showing that these industrial consumers in New Jersey were overcharged approximately 100 percent according to the T. V. A. rates.

According to the Tacoma rates the cost would have been $8,904,700, which shows that they paid an overcharge of $15,358,000, according to the Tacoma rates, which is more than 100 percent—almost 200 percent. Under the Ontario rates the cost would have been $11,670,700, or $12,592,800 less than they actually paid, which also shows an overcharge of more than 100 percent.

How in the world can the industrial consumers of New Jersey compete with the industrial consumers in the Province of Ontario, Canada, when they have to pay more than twice as much for power as their competitors in Ontario have to pay?

No wonder industries in New Jersey are breaking down.

This power could be delivered to their residential consumers, to their commercial consumers, and to their industrial consumers throughout the State of New Jersey at the T. V. A. yardstick rates, at the Tacoma, Wash., rates, or at the Ontario rates, without loss, if it were not for the exorbitant overcharges which these people are compelled to pay in order to pay dividends on watered stocks, maintain useless holding companies, pay high-salaried and often useless officials, pay the cost of high-priced propaganda, and other graft and waste which enters into the rate base of the private power interests throughout every section of the country.

They want to get rid of the T. V. A. yardstick, because it is teaching the American people what electricity should cost the man who uses and pays for it.

The gentleman from New Jersey [Mr. WOLVERTON] lives at Camden, N. J., a city of 118,000; I live at Tupelo, Miss., a town of less than 8,000. Tupelo has a municipal distribution system that buys its power wholesale from the T. V. A. at an average of about 5.35 mills a kilowatt-hour, while Camden, N. J., is served by the Public Service Electric & Gas Co., a private power company.

As I have shown, electricity was sold at wholesale to a private power company in New Jersey last year at 3.79 mills a kilowatt-hour. The Public Service Electric & Gas Co. can either purchase its power wholesale at that price or manufacture its own power at a cost of not to exceed 4 mills a kilowatt-hour, and could distribute it at the T. V. A. yardstick rates, in effect in Tupelo, as shown in the tables which I have inserted, and make a reasonable profit.

But the trouble is that the Public Service Electric & Gas Co. is burdened with overhead expenses. For example, the president receives a salary of $50,000 a year—about two and one-half times as much as the salary of the Justices of the Supreme Court of the United States. Then there are 10 vice presidents, two of whom receive $30,000 a year each, one receives $19,710, one receives $22,500, one receives $22,725, one receives $24,840, two receive $24,300 a year each, one receives $18,999 a year, and another receives $27,000 a year.

In addition to that, this company has an assistant to the president, who receives a salary of $16,200 a year; a general superintendent, who receives $15,999.96; a general manager, who receives $19,999.92; and an assistant to the general manager, who receives $16,249.92 a year. A general electrical engineer draws $16,666.64 a year, and a general auditor receives $18,000 a year. The superintendent of distribution receives $15,999.96.

In addition to that, this company is controlled by the Public Service Corporation of New Jersey, which has the same president who receives an additional $45,000 a year salary as president of the holding company, and also has two vice presidents who are vice presidents of the Public Service Electric & Gas Co., who receive salaries of $39,000 a year each from the Public Service Corporation of New Jersey.

Compare these high salaries with the salaries of the three directors of the Tennessee Valley Authority who receive only $10,000 a year each.

Note that some of these vice presidents of the operating company, that serves Camden, N. J., draw more salary from the operating company than is received by all three of the directors of the Tennessee Valley Authority, and at the same time some of these vice presidents draw additional salaries from the holding company amounting to more than the combined salaries of all three directors of the Tennessee Valley Authority.

No wonder the people of Camden are overcharged 100 percent for their electric lights and power for all classes of service.

This is a fair sample of the shocking conditions that exist in the private power companies, and the holding companies that control them, throughout the whole country. That is the reason that the private power business has degenerated into the greatest racket of modern times, for which the American consumers of electric lights and power are now paying "through the nose" tributes in exorbitant overcharges amounting to more than $1,000,000,000 a year.

As I said a moment ago, the city of Tupelo, Miss., purchases its power wholesale from the T. V. A. The record shows it is now paying 5.35 mills a kilowatt-hour. Remember that private power companies in New Jersey are buying power, wholesale, at 3.5 mills a kilowatt-hour. In Maryland it is being purchased by them, wholesale, at 2.59 mills a kilowatt-hour, while in New York it is being purchased, wholesale, by private power companies at 2.9 mills a kilowatt-hour.

Yet the city of Tupelo, a small town with a population of less than 10,000, buying power wholesale from the T. V. A., and paying more for it than the average price paid by private power companies, distributes it to the ultimate consumers at the yardstick rates, and after paying all operating expenses, after paying taxes, or money in lieu of taxes, in an amount greater than that paid by any power company in any other city of its size throughout that area—after paying interest on the indebtedness on its distribution system, after paying the installments due on its sinking fund, after setting aside a reasonable amount for replacements and paying itself 6-percent interest on the entire investment in its distribution system—after paying all these expenses, Tupelo's electric system made a net profit of more than $40,000 last year.

In other words, the Tupelo plant purchased a little less than 10,000,000 kilowatt-hours of electricity during last year, for which it paid approximately $50,000. It distributed that electricity to the ultimate consumers at the yardstick rates, paid all of its operating expenses, paid interest on its debts, paid the amount due on its sinking fund, paid in lieu of taxes $12,759.51, which is more than any private power company paid in any city of the size of Tupelo in that area, paid itself interest at the rate of 6 percent on the entire investment in its electric system, and made a net profit of $40,003.19.

Neither the T. V. A. nor the Federal Government has ever subsidized Tupelo's electric light and power system one dollar. Although the system was badly damaged by a cyclone in 1936, the repairs were made at the expense of the system and without outside financial assistance.

Rates in Tupelo have been reduced several times since the first contract with the T. V. A. in 1934. Every time rates have been reduced profits have increased as a result of increased consumption.

In 1932, before the T. V. A. was created, the city purchased its power from a private power company at 17 mills a kilowatt-hour, although the private power company was buying this energy at Muscle Shoals at 1.56 a kilowatt-hour. This power was distributed at the old standard power company retail rates that were in effect throughout that area at that time—with a maximum of 10 cents a kilowatt-hour where we now pay a maximum of 3 cents a kilowatt-hour. The municipal power plant made a profit that year of $27,282.02.

In 1936 the light and power department of Tupelo purchased its power from the T. V. A. at the standard wholesale rates and sold it at the T. V. A. yardstick rates, with an additional surcharge of 10 percent imposed on industrial and commercial consumers, which was permissible under the contract, and after paying all the expenses, taxes, or money in lieu of taxes, sinking fund, and so forth, made a profit of $33,147.05.

Thus it will be seen that the light and power department made more profit when buying its power around 5 or 5½ mills a kilowatt-hour and selling it at a maximum of 3 cents a kilowatt-hour than it did when buying it at 17 mills a kilowatt-hour and selling it at a maximum of 10 cents a kilowatt-hour, because low rates always bring increased consumption and increased profits.

After those 10-percent surcharges were removed, as I have pointed out, the municipal light and power department in Tupelo made a net profit last year of $40,003.19.

In order to dispose of that surplus there were only three courses to be pursued. First, to extend the service; second, to pay it on the debts of the plant; and third, to reduce rates.

No extensions of the service were possible since it has been extended to reach everyone within its jurisdiction. Its funds could not be applied to the debts against the plant for the reason that the bondholders would not accept them, as these bonds are amply secured and the interest rates are adequate.

So the only thing to be done was to further reduce the rates. That reduction was given to the commercial consumers, the merchants, hotels, restaurants, filling-station and office building operators. My prediction is that the net profits next year will increase again because of the increased consumption.

In other words, as I said, reduced rates increase consumption and increase the profits. If private power companies were more interested in service and less interested in the manipulation of stocks and bonds, they could reduce their rates to the standard T. V. A. yardstick levels and make money in every section of every State in this Union.

Now, let us see what the effect of cheaper electricity has been on the ultimate consumers. In 1932 there were 875 residential and 300 commercial consumers in Tupelo. Only 19 percent of these residential consumers operated electric refrigerators, 6 operated electric ranges, and 296 had electric irons, but none operated electric water heaters. Electric house heating in that section was unknown.

Last year there were 1,606 residential consumers of electricity in Tupelo, 90 percent of whom operated electric refrigerators. There were 391 electric ranges, 125 electric water heaters, and 1,816 electric irons. Some of these irons, of course, were in business establishments.

In 1932 the average residential consumption of electric energy in Tupelo was only about 35 kilowatt-hours a month. During the month of January 1939 it was 215 kilowatt-hours a month. Low rates always increase consumption, and also increase the use of electrical appliances.

During the year 1932, when paying the old power-company rates, the commercial consumers in Tupelo used on an average of only about 150 kilowatt-hours a month. During the year 1938, under the T. V. A. yardstick rates, they used on an average of 461 kilowatt-hours a month; and, in addition to that, 28 homes and 5 apartment houses were heated exclusively with electric energy.

In other words, the people of Tupelo are living in an electric age, enjoying the benefits of electricity at rates based upon the cost of generation, transmission, and distribution, which we hope to see spread to the rest of the country.

Now, since it is shown that power generated by hydroelectric plants, or by coal, can be laid down in any community in the United States, wholesale, at cheaper rates than those now paid by the city of Tupelo for T. V. A. power, then, with the proper economy and efficiency in the management of their distribution systems, they can distribute it to the ultimate consumers at the T. V. A. yardstick rates, pay all operating expenses, including taxes, and make a reasonable return on their investments.

So, Mr. Speaker, instead of attacking the T. V. A. yardstick, which, as I have said before, is the greatest weapon ever placed in the hands of the American people for their protection against overcharges for electric light and power the gentleman from New Jersey [Mr. WOLVERTON], and his associates who signed the minority report, had better join us and help to secure relief from these exorbitant rates for the people of their own States as well as for the people of the whole country.

If the public utilities commission in the State of New Jersey would do its duty it could reduce light and power rates to the T. V. A. yardstick levels to all classes of consumers in every city, town, village, and community in that State without injury. But the trouble is that the average State utilities commission, instead of regulating utilities, seems to be regulated by them and to do their bidding.

Not only could the utilities commission in the State of New Jersey reduce light and power rates to the T. V. A. levels without injury to the private power company, but the same thing could be done in every other State in the Union, and it will be done when the people rise up and demand justice at their hands.

So I admonish the distinguished gentleman from New Jersey [Mr. WOLVERTON], instead of trying to destroy the T. V. A. yardstick, that he join us in trying to extend its benefits to the people he represents and help us lift from the shoulders of the people of New Jersey the exorbitant overcharges they now pay for electric lights and power to the amount of $49,000,000 a year; and that he and his associates join us in extending these benefits to the light and power consumers throughout the Nation, and relieve them of the overcharges they are now paying amounting to $1,000,000,000 a year.

BIRTHDAY OF THE SPEAKER

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, reminded of the birthday of our Speaker by the ovation in the House which followed the tribute paid him on Wednesday, April 12, 1939, by the minority leader, the gentleman from Massachusetts [Mr. MARTIN], the New York Times printed in its edition for Thursday morning, April 13, 1939, a deserved editorial tribute to the gentleman from Alabama [Mr. BANKHEAD]. Mr. Speaker, I ask unanimous consent to insert this editorial at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The editorial referred to follows:

[From the New York Times of April 13, 1939]

BIRTHDAY CARD

Speaker BANKHEAD was 65 yesterday. The House took affectionate notice of the anniversary. A graduate of that eminent school, the Rules Committee, he knows his business. His courtesy, fairness, and impartiality are natural. Son of a Senator, brother of a Senator, he was born to politics. He tried in vain to squirm out of his horoscope. He wanted to be an actor. He skipped to Boston with that intention. The family forbade. A daughter of genius carried out and perhaps surpassed her father's early hopes. Most people have forgotten that young Mr. BANKHEAD came to New York to recover from the Boston chill and tried his prentice hand in politics here.

Home called him. Politics took to him. He has been in the House for 22 years, but we don't have to introduce him. Both in opposition and in power, he has made his mark. He is as tolerant as a politician can afford to be. As a legislator, he doesn't talk about things without having studied them adequately. He is a competent Speaker. He is a good fellow. It is always pleasant to see Representatives scrape off their war paint and reveal in the Chamber something of the kindly feeling of the cloakroom. Yesterday anybody could catch the Speaker's eye. The Members recognized the Speaker and told him how much they thought of him.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a Gallup poll and a description of the necessity for education in the treatment of cancer. This poll shows 90 percent of the people interviewed interested in a bill I introduced for cancer control.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PHILIPPINE INDEPENDENCE

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, in behalf of Dr. B. M. Gancy, a distinguished citizen and attorney from the Philippine Islands, who is also a loyal subject to the United States, and whose suit for a declaratory judgment upon his rights as affected by the Philippine Independence Act against the United States was dismissed recently for lack of jurisdiction, I introduce this bill, which is designed to confer jurisdiction upon the United States District Court for the District of Columbia, to hear and determine the claims of Dr. Gancy and to settle by proper court decision two conflicting theories involved in the Philippine-American relation. This is, whether or not Congress has the power to withdraw sovereignty over a territory. I hope that the committee to which this bill is referred will allow Dr. Gancy's request so that this issue may be settled for the general welfare of the parties concerned.

I am speaking in behalf of the people of the United States who do not wish to be dispossessed of valuable property, which in the future, with proper development, will not only furnish a market for our products but will also be of vital importance to the United States as a distributing point for our merchandise to the Orient. This property is the Philippine Islands, and all other Territorial possessions acquired by the United States. No part or parts of the United States or its Territories are for disposal except by unanimous consent of all the States, and in agreement with the people who are to be dispossessed.

I contend that the Seventy-second and the Seventy-third Congresses had no constitutional power to pass the Philippine Independence Act and set up an independent State, as outlined in the constitution for the Philippine Islands:

SECTION 1. The Philippine Legislature is hereby authorized to provide for the election of delegates to a constitutional convention, which shall meet in the hall of the house of representatives in the capitol of the Philippine Islands, at such time as the Philippine Legislature may fix, within 1 year after the enactment of this act, to formulate and draft a constitution for the government of the Commonwealth of the Philippine Islands, subject to the conditions and qualifications prescribed in this act, which shall exercise jurisdiction over all the territory ceded to the United States by the treaty of peace concluded between the United States and Spain on the 10th day of December 1898, the boundaries of which are set forth in article 3 of said treaty, together with those islands embraced in the treaty between Spain and the United States concluded at Washington on the 7th day of November 1900. * * *

This is section 1 of the Philippine Independence Act, in which Congress cedes jurisdiction over all the territories ceded to the United States by the treaty on December 10, 1898, together with those islands embraced in the treaty concluded on the 7th day of November 1900. In other words, the Seventy-second and Seventy-third Congresses ceded all this property to the Philippine government without consulting or informing the States of its action. I venture to say that 95 percent of our people are completely ignorant of the loss we sustain in this transaction. It is not only unconstitutional but it is a terrible mistake which should be corrected before it is too late.

I cannot understand what sinister influence impelled the Seventy-second and Seventy-third Congresses to enact this legislation, because it is certainly a blow to the United States.

Farther on in this act I find a paragraph with this language:

When used in this section in a geographical sense, the term "United States" includes all Territories and possessions of the United States, except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam.

And in section 7:

Until the final and complete withdrawal of American sovereignty over the Philippine Islands.

We find in section 7 (1):

Every duly adopted amendment to the constitution of the government of the Commonwealth of the Philippine Islands shall be submitted to the President of the United States for approval.

We do not withdraw from the Philippine Islands. Such clear-cut decision cannot be expected from this administration. The Philippine Independence Act is a misnomer. It will not free the islands or provide independence for the people. It will instead keep them enslaved in our political system and pawns to exploitation. In other words, the Philippine Independence Act makes a political football of the islands, open to exploitation, graft, and other evils which, without doubt, will finally drag us into war.

Our colonial policy is a joke, for being political it becomes an instrument which provides a haven for political patronage and its evils. This is very unfortunate, for under an economical government that understands colonial administration the Philippine Islands would be one of the most productive colonies in the world. The islands would not only be able to sustain themselves but would, in addition to that, pay a profit and be an economical asset to the United States. Under a sound administration these islands can be made an international trading post.

In the Philippine Independence Act, Congress has delegated all power of administration to the President of the United States and his political appointees but furnishes the money as usual—about the only power of Congress which has not been diminished. The strange part of this act is the exclusion of the Philippine Islands, the Virgin Islands, the American Samoa, and the island of Guam, for they are not supposed to be included in the words "United States."

One would almost think that the Philippine Independence Act was drafted by order of Japanese instruction. It would, indeed, be interesting to know the reason for excluding the Virgin Islands, the American Samoa, and the island of Guam in the words "United States." Is it possible that those who drafted the Philippine Independence Act intended to declare the independence of all the islands excluded from the words "United States"?

This act will not provide independence for the Philippine Islands, but will, instead, be destructive to them and a continual hazard to the United States. The act is so drawn that the United States is not released from implication or responsibility, but will, instead, be involved to such extent that it may lead us into war.

We must decide one of two things: Either to declare the Philippine Islands independent and free or to retain the islands as a colony or territory of the United States. The

Filipinos may in justice expect to be informed whether they are to be free, to regulate themselves, and become a part of another nation, if they so select, or if they are to be tied by strings to the political party in power in the United States. This is also of the utmost importance to us, and particularly so if we look ahead three or four hundred years.

In the treaty with Spain the United States accepted responsibility for and ownership of the Philippine Islands. We paid $20,000,000 for our oriental bride, and Congress approved and legalized the ceremony. This is a solemn obligation which Congress should not forget, for it is still binding, and Congress cannot now issue a decree of divorce, as it attempts to do in the Philippine Independence Act, without exposing the bride to attack.

Separation destroys friendship, creates animosity, and provokes revenge. We could not criticize the citizens of the Philippines if for protection they would negotiate an alliance with another power, and, being an independent nation, they, of course, would have a perfect right to consummate such pact. The question for us to consider is, How will it affect the United States? The independence of the Philippine Islands will threaten the security of all our possessions in the Pacific, and what will this mean to us? It opens the west coast of the United States to attack from the Orient; it retards economic trade with the Orient, including India, and the islands south of the Philippines, and will in reality terminate in the loss of foreign markets. The danger of this should be recognized now, if we had statesmen in the Federal Government in place of international gigolos.

It is absolutely important that our merchant marine have access to friendly ports and well-protected trade lanes. This is necessary for repair, for supplies, and for harbors of refuge. The Philippine Islands, however, are more than that, because they will serve as a commercial trading center with the Orient and India. Properly prepared, these islands, if retained by us, will provide peaceful harbors for our ships when the rest of the world may be in a turmoil.

The Philippine Independence Act should be studied by those who have the interest of the United States at heart, and I am sure that in it they will find a most impossible and queer instrument for the creation of a new nation, not only in its unconstitutionality but also in its ambiguity. It is a fine example of malignant legislation.

Congress has no power to deprive the United States of property acquired by conquest or by purchase, for such property belongs to the people, and the right of disposal of such property is not within the power of Congress but is instead reserved to the States and the people themselves.

The Constitution of the United States provides for all contingencies, and this is particularly true if we believe in it and are willing to accept it as a concise document in which interpretations must not depend upon a few words, phrases, or paragraphs, but must instead be interpreted on their relation to the body of the instrument itself. As an example, article IV, section 3:

> New States may be admitted by the Congress into this Union; but no new State shall be formed or erected within the jurisdiction of any other State; nor any State be formed by the junction of two or more States or parts of States, without the consent of the legislatures of the States concerned, as well as of the Congress.
>
> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States or of any particular State.

In the Philippine Independence Act the Seventy-second and Seventy-third Congresses employed the following interpretation as power to set the Philippine Islands free:

> The Congress shall have power to dispose of * * * territory or other property belonging to the United States.

If this were true, this interpretation would allow power to Congress to dispose of anything belonging to the United States, but it is not the actual and true meaning of article IV, section 3. It is, instead, an unfortunate misinterpretation of paragraph 2 of article IV, section 3. In interpretation of the Constitution the interpreter must always have in mind amendment 9:

> The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

And amendment X:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people.

Having this in mind, the words "dispose of" refer to rules and regulations respecting the territory or similar property, so that boundaries may be adjusted in such manner that the territory in question may at some time be incorporated in the Union as a State. The meaning of the words "dispose of" is further qualified in the second paragraph in the following sentence:

> Nothing in this Constitution shall be so construed as to prejudice any claims * * * of any particular State.

The Philippine Islands, including all territories, are properties of the United States in which each and every State has a claim. Congress has no power to dispose of this property unless consent is given by the owners, and they are the 48 States. This is clearly set forth in article IV, section III, paragraph 2.

The most important point at issue, however, is: Congress has no constitutional power to deprive the United States of territories and set such property aside as a new and independent nation.

However, Congress has the power to dispose of territories in such manner that they may become useful as a State in the Union or dispose of them in such manner that they may provide greater protection for themselves or for the United States.

This is the intended meaning of article IV, section III. It is to bring about greater security and protection for the United States instead of insecurity and destruction of the United States.

EXTENSION OF REMARKS

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech made in Rochester, N. Y., by the gentleman from New York [Mr. REED].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York asked and was given permission to extend his own remarks in the RECORD.

DISTRICT OF COLUMBIA MILK INVESTIGATION

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

Mr. SHAFER of Michigan. Mr. Speaker, a month ago this Congress passed a resolution authorizing an investigation of the milk situation in the District of Columbia. At that time the chairman of the District of Columbia Committee stated that his Subcommittee on Public Health, of which I am a member, would conduct the investigation and promised that a thorough job would be done.

That is the last this Congress has heard of the investigation. No action has been taken to carry out the wishes of Congress. There has been no meeting of the Public Health Subcommittee of the District of Columbia Committee. It appears to me that unless action is soon taken it might be necessary for this Congress to authorize an investigation of the investigation committee.

Being a member of the subcommittee chosen to make the milk investigation I have undertaken a study of the situation and my findings should not only interest every Member of Congress but the citizens of the Nation as well. I am convinced that the citizens of the District of Columbia and the dairy farmers of the Nation will demand remedial legislation when facts concerning the milk situation in Washington are placed in their possession.

In the first place the milk and cream supply for the District of Columbia is controlled by an act of Congress approved February 27, 1925. There have been no amendments since the act was passed.

There is no doubt in my mind but that it was originally intended by the sponsors of this legislation to create a closed milk market for the city of Washington. As originally drafted the act provided that no milk or cream for any purpose would be allowed to come into the city unless produced in the local milkshed and after inspection and licensing. Before the act was passed, however, wholesale ice-cream manufacturers of Washington discovered what was happening, and by bringing pressure to bear from western creameries brought about an amendment to permit the importation of milk and cream from beyond the local milkshed but limited the use of such milk and cream to the manufacture of ice cream.

On November 4, 1925, the Commissioners of the District of Columbia, under authority granted them by the act, promulgated certain regulations. These regulations—28 in number—have not been amended or added to since 1925, except in unimportant details and except to legalize and define ice-cream mix. It is true that an effort was made last year to change the regulations to exclude cream for ice-cream purposes, but the effort was abandoned when several midwestern Congressmen, including myself, offered successful opposition.

So it remains that the regulations and the law of 1925 constitute all of the rules governing milk, cream, and ice cream for the District of Columbia.

Section 4 of the act of 1925 provides that—

> Nothing in this act shall be construed to prohibit interstate shipments of milk or cream into the District of Columbia for manufacturing into ice cream: *Provided*, That such milk or cream is produced or handled in accordance with the specifications of an authorized medical milk commission or a State board of health.

Because the act was originally designed to create a completely closed market for milk in Washington, and because section 4 was inserted in the last moment without any effort to fit it in with the rest of the act, many anomalous situations have resulted.

In this connection western cream may be shipped into the District of Columbia for manufacture into ice cream, provided it is produced and handled as specified in the act, but this same western cream cannot be used for fluid purposes. All cream for fluid purposes must come from locally inspected and licensed farms in nearby Virginia and Maryland.

Now, let us stop and consider the result of this law. Cream in fluid form is largely consumed by adults in coffee and tea. Babies and children are not permitted to drink coffee and tea and babies are not given desserts on which fluid cream is used. They are, however, permitted to eat ice cream.

Now, if the cream from the West is kept out of the fluid channels by health regulations, there must be some definite public-health consideration which keeps it out. It is difficult to find this consideration when it is realized that thousands of gallons of ice cream, made from western cream and uninspected at its source by the District's Health Department, are consumed every month by babies and children of the city of Washington.

There is nothing in the manufacture of ice cream which reduces the bacteria in ice cream except pasteurization before freezing. But this same pasteurization takes place with fluid cream before it is sold for use. The pasteurization of ice-cream mix does not destroy any more bacteria than does the pasteurization of fluid cream.

The Maryland and Virginia Milk Producers' Association, organized under the laws of the State of Maryland in 1922, a farmers' cooperative organization, is composed of approximately 1,300 farmers producing milk in the Washington milkshed. This organization, I am informed, supplies 90 percent of the milk and cream used as such in the District of Columbia.

This association for a number of years has been dissatisfied with the act of 1925 because the act permits the importation of western cream for ice-cream purposes. Until now the association has hesitated to bring the matter to the attention of Congress by asking for an amendment to the law. The association, I am informed, has been fearful that if Congress did learn of the real situation created by the act of 1925 it might change the law, but not to the liking of the association. Therefore the association sought to have the District Commissioners exercise legislative authority to change the law by promulgating regulations and throwing new barriers in the way of western cream coming into the city, even for the manufacture of ice cream. This demand for new regulations presupposes public-health considerations, and such considerations alone.

It would be interesting to know what protection this association desired to give the people of Washington when it proposed health regulations to further close this market to western cream. Perhaps a statement by Mr. Frank S. Walker, president of the Maryland and Virginia Milk Producers' Association, in his 1937 annual report will shed some light on the subject. Mr. Walker said:

> During the year the District of Columbia Health Department made a ruling that they would not inspect milk for another market. If any of our producers ship to another market, their permit with the Washington Health Department will be canceled. This will make us bring all our cream sales back to the District. We appealed to the health department for assistance, so that we might get a better price for our cream for ice-cream purposes. The regulations now before the commission covering cream for ice-cream purposes is the result of the cooperation of the health department to see that we have fair competition in the sale of our product. The approval of these regulations by the commission is most essential. The Washington market has a satisfactory supply and quality of milk and we hope that it will not be necessary for the health department to give any permits outside of the present production area.

Mr. B. B. Derrick, secretary-treasurer and manager of the association, in his 1937 annual report, said:

> Unfortunately, several excellent outlets for our cream in Pennsylvania were lost during the year, which materially affected our average price. We have been able to secure about $2 per can more for cream in Philadelphia than we can in Washington. But beginning in September we were forced through health regulations to discontinue selling cream in Pennsylvania. Since being cut off from this premium outlet we have been forced to move our cream in the local market. Direct competition of western cream makes it very difficult to bolster cream prices in Washington, as the local market will not pay a premium for extra quality. Your association has been very active in attempting to have adopted a set of cream regulations that will improve the quality of outside cream being shipped into Washington for manufacturing purposes, which, of course, will enable us to sell more of our own cream in the local market at better prices. These regulations have a good chance of being adopted in the early part of 1938.

Again, Mr. Walker, in his 1938 annual report, said:

> In March 1938 Virginia passed a bill regulating the importation of cream into the State. We have been asking the District of Columbia for 2 years to make such a regulation, and so far we have been unable to get any satisfactory regulation to control cream imported into the District for ice-cream purposes. This unlicensed cream is the worst leak that we have on the Washington market, so far as we are concerned. We feel that here we have very unfair competition, and we are hoping that the health department will correct this condition with suitable regulations.

Again, Mr. Walker, in his 1938 annual report to the association, said:

> Under this new arrangement you are receiving premiums on 20 percent more of your milk. This is a very evident recognition of the quality of the milk that you are producing. From the results of the hearing we feel confident that all parties interested want to uphold the hands of the health department in continuing their wonderful work in giving the city of Washington the world's best milk. The producers as a whole are proud of the results they are getting and are even going the limit in bettering their record. We can assure the health department and the consumers a satisfactory supply of this high-quality milk at all times.

In a publication of the association entitled "Washington Milk Market," published in 1938, there is listed as one of the objectives of the association the following:

> Aid in establishment and continuance of health regulations.

Where can there be found more complete evidence of the attempt to use health regulations, to foster and encourage health regulations, for the purpose of erecting trade barriers?

The Maryland and Virginia Milk Producers' Association makes no secret of the fact that it has always tried, and is still trying, to have its economic problems worked out through the use of health regulations without one single thought of public health.

Let us return for a few moments to notice just some of the many anomalous situations created by the Milk Act of 1925.

If you buy a chocolate milk shake in a drug store and you desire it to be extra rich or heavy, or you go to those places where this type of milk shake is made, you will find that a half pint of locally inspected milk and four scoops of ice cream made from western cream are used, and to that is added chocolate sirup, the principal component part of which is western cream, and they are all mixed together into fluid form. In other words, the western cream in this process of making a milk shake is reduced again to a liquid and that liquid contains not only western cream but uninspected skimmed and skimmed condensed milk. It is difficult to see how under these circumstances the closing of a market to western cream for any other purpose than the manufacture into ice cream protects the public health. In this milk shake you are drinking as fluid approximately 40 percent locally inspected milk and approximately 60 percent western cream. It is not difficult, however, to convince you that children are the principal consumers of milk shakes in this city.

Butter may not be manufactured in the District of Columbia from any other than locally inspected and licensed milk, and western cream is excluded from the District of Columbia for manufacture of butter, but it may come into the District of Columbia already made from western cream, or from any other cream, without inspection at the source of the cream or milk used in the making of that butter. A merchant in Georgetown cannot bring western cream into Georgetown for manufacture into butter, but a merchant in Rosslyn, Va., across the river, may buy western cream, manufacture it into butter, and then send it into the District of Columbia without hindrance.

Western cream or milk may not come in the District of Columbia for manufacture into bread, in cakes, in pies, or in candy, but all of these articles of food made outside of the District of Columbia with western cream may come in and be legally sold and consumed by the people of this city. High-grade caramels require a large amount of cream for their successful manufacture. The caramel manufacturers in the District of Columbia must use a high-priced locally inspected cream, but the manufacturers of caramels all over the United States, outside of the District of Columbia, may use any kind of cream which they please, and their candy is shipped here without any regulation. You have all seen caramels on the confectioner's shelf advertised as being dairy made and coming from various parts of the country, but no manufacturer in the District of Columbia would be permitted to make these dairy-made caramels unless he used locally inspected cream, and at a price about twice as high as that for which he could buy it outside of the District of Columbia.

A baker in the District of Columbia is not permitted to use western cream for decorating pies or cakes with whipped cream, but a baker in Bethesda or in Rosslyn, Va., may send pies and cakes decorated with whipped cream into the District of Columbia, and they make the whipped cream out of any kind of cream they choose to buy. An ice-cream manufacturer in the District of Columbia who makes an ice-cream mold may decorate this mold with whipped cream made from western cream, but whipped cream served by a drug store on the top of a sundae as decoration must be made out of locally inspected cream.

An ice-cream manufacturer in the District of Columbia may use western cream, and use it only on condition that it is produced or handled in accordance with the specifications of an authorized medical milk commission or State board of health. No inspection is made by the Health Department of the District of Columbia, and no certification of the soundness of the cattle producing the cream is required, but if a manufacturer of ice cream is located in Bethesda or Arlington, he may not send cream into the District of Columbia until he has furnished the health department with a certificate from a veterinarian that every cow contributing to the supply of cream with which the ice cream is made has been examined within the year by a veterinarian and has been found to be physically sound.

It is difficult for me to understand how this law can be said to have been written and designed in the protection of public health.

The milk law of the District of Columbia does not attempt to regulate the production and handling of evaporated milk or condensed milk, yet every mother and housewife knows the extent to which these products are used in the home. Hundreds and thousands of babies are literally raised on evaporated milk, and there are a hundred different uses for condensed milk and cream, including its use in coffee, in desserts, and to drink. Yet Congress completely ignored these products, and the health officer of the District of Columbia, because of lack of authority, has not and cannot make any regulations concerning its production and handling. The health officer does not know where this milk is produced and does not know where and how it is handled, and no license or permit of any kind is required to ship it into the District of Columbia and to sell it for the fluid consumption of human beings, including babies. Condensed milk is nothing more nor less than whole milk which through a heating process has been reduced in volume with a concentration of the fats and the solids. It ordinarily takes about 4 or 5 gallons of whole milk to make 1 gallon of condensed milk. No rules or regulations are set down for the condensation nor to govern the health of the cows from which this milk comes. There is only one source of milk, whether it be fresh milk or frozen milk, condensed or skimmed milk, or any other kind of milk, and that is from the cow, and a diseased cow cannot produce healthful milk.

When economic conditions become bad, and when the price of milk goes up, the average consumer, but particularly the less-than-average consumer, turns to canned milk in place of fluid milk. Scientists have not found a substitute for fresh milk, and canned milk is not fresh milk, nor does it contain the health-giving qualities of fresh milk. It has neither the flavor nor the chemicals contained in fresh milk, and a great deal of health-giving properties are lost in the condensation process.

If the milk law of the District of Columbia was not designed and intended to protect public health, and to protect public health alone, then what was its purpose? The answer is, unquestionably, that it was designed to meet economic conditions and to protect the local producers of milk by giving them a closed market in the District of Columbia, and a virtual monopoly on the milk and cream used in the District of Columbia. In the hands of the individual farmers this would not be a serious menace to the health of the people of the District of Columbia, but in the hands of an organization of 1,300 farmers it does constitute such a menace, and in practice has proven to be a menace to health by virtue of the high prices charged and the efforts made by this organization, not only to keep the market closed, but to increase the restrictions on the importation of pure clean products in the District of Columbia if they come from any other source than the farmers who belong to this organization. I refer to the Maryland and Virginia Milk Producers' Association.

With the Maryland and Virginia Milk Producers' Association handling 90 percent of the fluid milk and cream coming into the District of Columbia for use as such, and constantly striving, through all sorts of means, to increase this percentage to 100, and attempting to use health regulations to close the market to all milk and cream coming from farms other than those of the members of this organization, it is not particularly difficult to understand why the price of milk on the Washington market is higher than in any other city in the United States, and why there is less consumption per capita here than in much poorer cities of the country.

If this is not enough to convince any one that a deliberate effort is being made to erect trade barriers around the Dis-

trict of Columbia to the detriment of the consumers, and for the benefit of a small and selfish group of farmers, let us examine the situation just a little bit further and see what we find.

The first thing which appears is the National Dairy Products Corporation. The set-up which this Nation-wide Milk Trust has in Washington is as follows: It owns and operates the largest wholesale and retail fluid milk dairy in the city known as Chestnut Farms-Chevy Chase Dairy. This dairy supposedly purchases approximately 75 percent of all the milk sold by the Maryland and Virginia Milk Producers' Association, and this dairy does over 60 percent of all the milk business in the District of Columbia. In addition to the dairy plant located in Washington, the National Dairy Products Corporation also owns Southern Dairies, a wholesale ice cream manufacturing plant which does the largest ice cream business in Washington. National Dairy Products Corporation also owns and operates a receiving station at Frederick, Md., in conjunction with its fluid-milk business in Washington, where practically all of the surplus milk owned by the Maryland and Virginia Milk Producers' Association is handled and processed. It also owns a receiving station at Walkersville, Md., where it gathers milk from various sources for shipment into the District of Columbia for manufacture into ice cream. It is the only dairy dealing with the association which has a receiving station. This plant at Frederick is licensed to ship milk and cream to Washington for fluid uses. I am told that an average of over 15,000 gallons of milk daily went into this plant in 1938. It performs the following functions: Cools and pasteurizes milk, separates cream from milk, condenses milk, makes skimmed milk powder, and manufactures cheese. All surplus belonging to the association is separated at this plant, and the dairy receives the skimmed milk for nothing and holds the cream for the association orders. It receives an allowance for plant loss in handling all surplus milk, and all milk coming into the plant is paid for by the dairy at approximately 2¼ cents per gallon less than the price paid by the other distributors in Washington. The farmers deliver this milk to this receiving station at their own cost. The Frederick plant sells this skimmed condensed, skimmed milk, and other products to the various subsidiaries of the National Dairy Products Corporation. It is estimated that surplus milk handled at this plant for the association during the flush season will run as high as 25,000 gallons daily.

Who gets the benefit of all this? The consumer does not, because the price is not reduced; the farmer does not, as those farmers shipping milk and cream to that plant get 2¼ cents less for that milk than if they shipped to Washington direct. The answer is obvious. When it comes time to change the price of milk, and the terms and conditions upon which the association sells milk to the distributors, it is not difficult to know who has the most say about it and who dictates conditions. Chestnut Farms Dairy is a subsidiary of the largest milk combine in the world, having plants in practically every State in the Union and eight foreign countries, and having subsidiaries which make and sell dairy products and related products of every kind and description. National Dairy Products Corporation owns one of the largest manufacturers of ice cream in the world—Breyer Ice Cream Co. of Philadelphia. One of the essential ingredients in the manufacture of commercial ice cream is condensed skimmed milk, and this the Chestnut Farms Dairy has in abundance at its Frederick plant which it receives from the association without cost.

It is to the interest of the Maryland and Virginia Milk Producers' Association and the National Dairy Products Corporation to keep this market absolutely closed, and up to the present time they have succeeded admirably in doing so. The only way this situation can be changed is by appropriate legislation by the Congress of the United States.

Stringent health regulations governing the production of milk and requiring a large outlay of money on the part of the farmer, very definitely discriminates against the real dirt farmer, and tends to place production in the hands of a comparatively few so-called farmers who, because of their financial circumstances, are able to operate dairies without doing any work themselves, but by hiring cheap labor. The successful country businessman, lawyer, doctor, generally own farms and produce milk. Because they are able to do so, they build elaborate barns and set standards for the others to follow. In this same class are those who are engaged in breeding cattle for show purposes as a hobby, and sell their milk to fluid milk markets.

All these people can easily meet stringent health requirements, but what of the real dirt farmer who gets up at 4 o'clock in the morning and works like a dog all day long until late at night in order to eke an existence out of his farm? He may produce the cleanest milk, but he cannot get on the fluid-milk markets unless he buys all of the fancy gadgets required by health requirements and used by his wealthy neighbor who may be engaged in dairying merely as a hobby. This dirt farmer, simply because he cannot afford to buy this extra equipment, is compelled to sell his milk to a creamery which makes butter or canned milk. The price he receives for his milk is ridiculously low, and hardly pays for feed for his cows.

City fluid-milk markets are gradually being supplied exclusively by gentlemen farmers who have made their money in various other ways and turned to farming merely because of the natural urge of human beings to get back to the soil. Increasingly stringent health regulations will ultimately place fluid-milk markets exclusively in the hands of this type of farmer, to the almost utter and complete ruin of the small but real dirt farmer.

What is the solution of this problem, and how can this trend toward high prices for fluid milk and control of fluid-milk markets by wealthy producers be stopped? The answer is very simple, and the problem is really not complex.

The first thing is for health departments to get down to brass tacks and honestly and conscientiously calculate just what is essential by way of regulations for the protection of public health alone and to eliminate all the fancy and expensive and silly gadgets and rules which now act as trade barriers and which do not contribute in the slightest to public health. This would substantially lessen the cost of production of milk and would enable more people to buy it. Tremendously larger quantities of milk would go into fluid channels and less into the butter market.

The universal lowering of health regulations governing production of milk to a point where they actually protect public health but do not protect anyone's economic interest would result in a general leveling of prices all over the United States and would permit more small dirt farmers to get on the fluid markets. It would also result in a substantial decrease in the tremendous milk surpluses which now go into butter and create a ruinous condition in the butter market. There would be less canned milk sold and more fresh milk used by the people who need it.

If health departments will not voluntarily cut down their requirements, then it is up to the legislatures to pass laws which will take out of the hands of the health officials much of the discretion and rule-making power which they now have.

In the District of Columbia this is a matter which deserves the serious and thoughtful consideration of the Congress. The Congress of the United States can engage in no better undertaking than to reduce the price of milk in this city to the consumer and to set up for the District of Columbia a model milk law governing the production, handling, and distribution of fresh milk in this city. Cheaper milk can be had in Washington, but it can only be accomplished through a determination on the part of Members of the Congress that a few people are not entitled to a monopoly, and that milk which is produced under decent and sanitary conditions is fit for human consumption even though it comes from places other than the farms within the so-called milkshed of the District of Columbia.

GRAND ARMY OF THE REPUBLIC

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1574) to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Pittsburgh, Pa., from August 27 to September 1, inclusive, 1939.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the national encampment of the Grand Army of the Republic to be held at Pittsburgh, Pa., from August 27 to September 1, inclusive, 1939.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such encampment, there is authorized to be appropriated the sum of $8,500, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $5 per day each for additional living expenses while on the duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RANKIN. Mr. Speaker, may we have order? This is the gentleman's maiden speech, and we want to hear it.

Mr. RICH. Mr. Speaker, I hope the gentleman from Mississippi and all other Members of the Congress will hear me. We are now $40,000,000,000 in debt. Twenty billion have been created the past 6 years by the party of Jackson, Jefferson, and Roosevelt. So far this year under Mr. Roosevelt, we have gone in the red to the extent of $2,600,000,000—a travesty to America. A committee of the House has reported the Florida ship canal bill, which, if passed by the House, will involve an expenditure of an additional $200,000,000. I hope when the bill comes to the floor of the House that we will not create any more debt for your children and children's children to pay, because of the fact the Government is so badly in debt and because of the folly of spending by the New Deal, it is time to get some common sense. I hope the Florida ship canal will not be built at this time, because it is one of the most ridiculous things I ever heard of by the New Deal to date to spend money. It will involve $200,000,000 of the taxpayers' money to construct this canal. It is almost unbelievable that the Members of Congress will spend these millions of dollars for such an unworthy and unwarranted project.

Mr. RANKIN. That Florida canal is for national defense.

Mr. RICH. National defense nothing. It is "pork barrel." Why were all Congressmen who wanted it given a free trip to Florida with all expenses paid, if it is not "pork barrel" legislation?

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. YOUNGDAHL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. YOUNGDAHL]?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include the platforms of the Republican and Democratic Parties for the last 47 years on the subjects of reclamation of arid lands and conservation.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial by R. E. Bennett.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SECCOMBE]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire [Mr. STEARNS]?

There was no objection.

Mr. STEARNS of New Hampshire. Mr. Speaker, the very deep interest of thousands of people in my State in the subject of old-age pensions is illustrated by a resolution passed almost unanimously by both Houses of the New Hampshire Legislature for transmission to the Congress. I believe the subject has been receiving full and conscientious hearings before the committee that has been entrusted with consideration of this matter. I sincerely hope the matter will be properly studied and not be made a partisan political football, but considered seriously to the end that a program may be worked out that will be just and fair to all.

[Here the gavel fell.]

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include the resolution to which I have referred.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire [Mr. STEARNS]?

There was no objection.

The resolution referred to follows:

Resolution memorializing the Congress of the United States to provide ample old-age security and to insure complete and impartial consideration of the General Welfare Act of 1939

Whereas the principle of old-age security is now fully recognized throughout this Nation; and

Whereas it is becoming increasingly imperative that ample comfort and freedom from economic stress be provided for the aged; and

Whereas thousands of the citizens of New Hampshire believe that the enactment into law of the General Welfare Act of 1939 (Townsend national recovery plan) would accomplish the above purposes and also be of immense benefit to business in general: Therefore be it

Resolved, That the Senate and House of Representatives of the State of New Hampshire in General Court convened do hereby urge the Congress of the United States to take immediate action designed to solve the problem of old-age security, and to continue and expeditiously to complete full and impartial hearings on the General Welfare Act of 1939; and be it further

Resolved, That a copy of these resolutions be forwarded to the President of the United States and to the presiding officers of the legislative branches of the Federal Government; and be it further

Resolved, That a copy of these resolutions be forwarded to the United States Senator H. STYLES BRIDGES, United States Senator CHARLES W. TOBEY, Congressman ARTHUR B. JENKS, and Congressman FOSTER STEARNS, requesting them to do all in their power to expedite the purposes of this resolution.

Mr. HARNESS. Mr. Speaker, at the conclusion of the legislative program for today I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HARNESS]?

There was no objection.

EXTENSION OF REMARKS

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial taken from yesterday's Star.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ANDERSON]?

There was no objection.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address I made before the Alumni Association of the George Washington University.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. McLEAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. THILL]?

There was no objection.

Mr. THILL. Mr. Speaker, President Roosevelt, consciously or unconsciously, is giving the American people the "war jitters." Just recently I journeyed to my district, and I was astounded to find that practically every person I met asked me the same question, "Are we going to have war?"

I discovered that this was due almost entirely to the utterances of our Chief Executive on foreign affairs. When the President recently stated, "I'll be back in the fall if we don't have war" he revealed his negative attitude.

When Roosevelt adopted the editorial article in the Washington Post, which included the words, "Nothing less than a show of preponderant force will stop them"—Germany and Italy—he theoretically committed this country to the use of arms. For how else can we effectively show force than by the utilization of our war machine?

Does not Roosevelt realize the temper of the American people is for peace, and they will never approve going to war by fall. Why cannot the President set our minds at rest by proclaiming that he will not urge America to enter another European war.

The remarks of the man in the White House are disheartening to the American people who love peace.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Wednesday next following the legislative program and any special orders heretofore made, my colleague the gentleman from Wisconsin [Mr. MURRAY] may be permitted to address the House for 20 minutes on the subject of the fur farmers of our country.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

EXTENSION OF REMARKS

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a very fine and illuminating address made by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] on the subject of cost of production, made last Friday over the Columbia network.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. ALEXANDER]?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two radio speeches of mine, one on the subject of the foreign-born, and the other on the subject of our foreign policy.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GREEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, I have introduced a resolution to provide for the issuance of a Stephen Foster memorial postage stamp.

Criticism has recently been leveled at our laxity in according official recognition to America's men of letters, arts, and music. Such recognition usually takes the form of a special postage stamp issue, such as has from time to time been authorized to commemorate outstanding events in our national progress. More than one of our immortal statesmen, explorers, and men of action have decorated a stamp issue with their distinguished countenances—and rightly so. For stamps, though small in size, circulate far, wide, and often, bringing reminders of our great men into the humblest of homes. Indeed, were most of the Nation's leaders to have a choice, while still alive, of their final resting place, it is almost a certainty that they would choose a 1-, 2-, or 3-cent stamp. Greater honor can come to no man. Of course, a few personages have gotten their faces on our currency, but it is appropriate to print stamps in memory of character and achievements. However, the very abundance of stamps may have served to defeat their purpose—not, I hasten to add, as postal adjuncts, but as monuments to our illustrious public servants. Stamps have come to be taken for granted, and seldom get a second glance from buyer, seller, or receiver. Even the philatelists, or stamp collectors, value stamps more for errors in production than for the distinguished portraits on them. And yet no art gallery can be assembled finer than the etchings on our stamps.

With these prefatory remarks, I hope now to make clear the reason why as yet no stamp issue has been authorized in honor of an American composer, painter, or writer. Congressmen usually await the will of their constituents before proposing legislation for any special issues of stamps. Recently a group of citizens saw fit to make contacts for this worthy purpose. On January 18 of this year—1939—a movement was launched which may well end with a special stamp issue dear to the hearts of American music lovers.

On that January day Mr. Andre Kostelanetz, as the head of a committee of distinguished musicians, including Lawrence Tibbett, Deems Taylor, John Erskine, and others, wrote to me. In his letter he explained that I had been selected as the Kostelanetz committee's voice in Congress because the famed Suwannee River flows through the Florida district which I represent. Mr. Kostelanetz suggested that we join forces—his committee representing the musical phase, with myself representing the geographical and nautical interests—so that with our combined strength we might influence Congress or its delegated committee to authorize a special stamp issue honoring Stephen Foster.

As a result of our extensive correspondence, and because of my profound love for Stephen Foster's matchless songs, to say nothing of my eagerness to foster any movement that would redound to the glory of my native Florida, on January 23, 1939, I introduced House Joint Resolution 128, which was thereupon referred to the Committee on the Post Office and Post Roads, where it now rests. Incidentally, I want to take this opportunity to caution my fellow Floridian and House colleague, JOE HENDRICKS, who is a member of the stamp subcommittee, to keep his weather eye on the gentleman from Georgia, Mr. FRANK B. WHELCHEL, also a stamp subcommittee member. The fair State of Georgia has long laid claim to the Suwannee River and may take this opportunity to steal a march on Florida. But, then, I suppose that not even a gentleman from Georgia would flout the evidence of Bob Ripley, who once itemed that the Suwannee is primarily a Florida river; of the atlas, which proves Ripley to be correct; and of the Kostelanetz committee, which selected a Floridian to be its voice in Congress.

I would not have brought this matter into the open at this time, being content to let JOE HENDRICKS handle Florida's and Foster's interests, but for the fact that a certain group, headed by Mr. Jerry Livingston, a Broadway composer, is reported to have invaded Washington with the purpose of getting a stamp issued in honor of Reginald De Koven. Now, by my musical friends I am assured that the late Mr. De Koven was indeed a celebrated composer. More than that, he founded and directed the Washington Symphony Orchestra. So his position in American musical history is rightfully assured. However, when it comes to ranking in the hearts of the American people, I do not hesitate to believe that Mr. De Koven would himself grant first place to Stephen Foster, as would ninety-nine people out of a hundred.

It is true, as Mr. Livingston alleges, that De Koven was a strangely neglected composer, never attaining the popularity

of Victor Herbert and other contemporaries. However, from the days of the founding of our great Republic, I doubt if any man of genius endured more hardships, gained less reward, and was more thoroughly neglected than ill-starred Stephen Foster. His tragic life story is too well known to be repeated by me, but his songs are likewise too well known to be defended by me.

Among his other compositions, Mr. De Koven wrote the famed Oh, Promise Me, which at nuptial ceremonies ranks second only to the Wedding March. But, in all seriousness, I maintain that, if and when our Nation sees fit to issue a special stamp honoring composers, there is only one first logical candidate for that honor—Stephen Foster.

The fact that Andre Kostelanetz, usually identified with more complex music, and his committee associates, all of them opera and concert stars, are unanimous in espousing the right of Stephen Foster to have his likeness on a United States stamp—that fact is proof enough that the composer of Suwannee River is worthy of his high honor first.

I urge favorable consideration of my colleagues, and I trust you will join in for passage of House Joint Resolution 128, authorizing the issuance of a special stamp in honor of Stephen Foster.

No river in the world is possessed of greater majesty and beauty than the Suwannee River. Stephen Foster eloquently carried its virtues to the world, and now this stream, its beauty and tradition, are known world wide. In this accomplishment he did subsequent generations of all nations an outstanding service.

His accomplishments have not passed unnoticed by the Florida people. At this time the erection of a suitable memorial to Stephen Foster is being sponsored by the music clubs of Florida, and particularly by the Stephen Foster Music Club. Mrs. W. A. Saunders, of White Springs, is patriotically leading these clubs and other organizations in our State for the establishment of an appropriate memorial on the banks of the Suwannee River in Florida for this noted composer. She is ably assisted in this work by Mrs. Amy Cone Mathers, also of White Springs, Fla., and others. The project will involve local, State, and probably national scope during the process of its establishment.

The printing of the stamp as provided under House Joint Resolution 128 is in keeping with the wide and noble purposes of commemorating the achievements and deeds of Stephen Foster.

Mr. FISH. Mr. Speaker, I ask unanimous consent to address to House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I commend President Roosevelt for his belated peace move, and hope that it will have some effect toward averting war in Europe. However, I do not believe, sponsored by the President, that it will amount to more than a sensational and dramatic gesture. I am afraid that the President's references to totalitarian states as vandal and gangster nations precludes any acceptance of peace overtures from him. If he had not engaged in name calling and hymns of hate, his plea to avert war would have stood a better chance of success.

For over a year President Roosevelt and his Cabinet have denounced Hitler and Mussolini in violent and provocative language. For the first time in our history our foreign policy has been based upon hatred, threats, and attacks on the forms of government and rulers of foreign nations. It is the most amazing departure from American traditions and has created war hysteria at home and hatred abroad.

I am convinced that if President Roosevelt had refrained from meddling in the European situation, by encouraging England and France to believe that we would fight their battles, they would have long ago reached an agreement by peaceful means to protect their own interests. [Applause.]

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein excerpts from an article by Roger Babson appearing in a morning paper.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by the 21 railroad brotherhoods.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, the civilized world applauds and American public opinion unanimously approves President Roosevelt's dramatic plea for world peace. In Europe and Asia the fate of whole nations rests upon the whims of power-mad dictators, hate-inflamed apostles of war and destruction spilling the blood of millions in a crazed orgy of conquest.

Each hour holds the threat of war, starvation, and death. Were this Nation to remain indifferent now, future generations would condemn our abandonment of every principle of humanitarianism and democracy.

President Roosevelt has earned the plaudits of people everywhere. I am surprised that a Member of this House would rise to criticize him. It is to be expected that the Nazi and Fascist imitators in this country would rant against the President's message, but I never expected the gentleman from New York [Mr. FISH] to lend himself to their purposes. Let no one imagine I misinterpret his remarks. Knowing him as I do, I realize that they are words politically inspired, not indicating a sympathy with the policies of the dictators, but harmful, because they bespeak an opposition to the President's purpose which is almost entirely confined to the gentleman [Mr. FISH] himself.

President Roosevelt, avowedly determined to keep this Nation out of war unless our life is threatened, is realistic enough, unlike the gentleman from New York, to realize that only by lending the moral support of this country to that of other democracies can the integrity of nations and the peace of the world be preserved. Already we have seen treaties and pledges violated and the pleas of the heads of nations, statesmen, and high church dignitaries coldly ignored. Four nations have already been unwillingly conquered by sheer force. The ruthless march of the dictators, threatening to throw the world into barbarism and savagery, can only be halted by the restraining influence of nations such as ours, determined to have peace, and so notifying the world.

The gentleman from New York speaks for the Republican Party as a political unit grasping for issues, he speaks for some partisan newspapers, and he speaks for himself. He does not speak for the masses, Democrats or Republicans, and in the masses is the strength of our President. Well do they realize that the step he has taken is the highest promise for peace he could possibly give the American people. This extraordinary effort by the President to preserve peace should forever silence those who accuse him of heading the Nation toward war.

EXTENSION OF REMARKS

Mr. JONES of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by John Galvin before the meeting of Ohio businessmen in the Mayflower Hotel.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AMENDMENT OF THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the first bill on the Consent Calendar, H. R. 3800, to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. GILCHRIST. Reserving the right to object, Mr. Speaker, I hope the gentleman will not press that request, because we might as well kill this bill as have it go over again. May 1 is the time by which farmers throughout the Middle West must comply with this law, and if the bill goes over for another 2 weeks the bill is dead. You might just as well object to the consideration of the bill here and now and kill the bill.

I believe this bill is greatly misunderstood. It proposes simply to change the law so the small man, the tenant farmer and the sharecropper, can participate in these payments. If it goes over for 2 weeks, the bill is dead, that is all. I wish the gentleman would withdraw his request.

Mr. RANKIN. All the gentleman has to do is object to the request of the gentleman from Arkansas.

Mr. GILCHRIST. The bill ought not to be betrayed with a kiss here today by asking that it go over. If the gentleman wants to draw his stiletto and stab it to death, he can do it just as well this way as by objecting to it in its entirety.

The SPEAKER. Does the gentleman from Arkansas insist on his request?

Mr. GATHINGS. Mr. Speaker, I insist on my request.

Mr. AUGUST H. ANDRESEN. Reserving the right to object, Mr. Speaker, I do so for the purpose of asking the gentleman from Texas a question. Is it the purpose to bring up this measure at some time other than on Consent Calendar day if the bill is passed over at this time?

Mr. JONES of Texas. I had hoped that we might have an opportunity to do so. On the other hand, I had hoped that in order to have the measure passed in time for it to be effective this year there would be no objection to its consideration.

As the law stands at present, the only limitation that is placed on what anyone may draw in the way of benefit payments, under the Soil Conservation Act, is $10,000. It also makes no provision for handling the payments where a great group of tenants is involved. It is hoped that this measure, if passed, would protect the tenants.

Mr. AUGUST H. ANDRESEN. Let me say to the chairman of my committee——

Mr. JONES of Texas. We do not control the ownership of land in the Congress; that is a matter for the States. But under the terms of this bill there is an absolute limitation of $5,000 that any man may draw on a farm that he is operating himself, even though he owns a great tract of land. There is a further reduction of 25 percent on all he draws over $1,000. In order to protect the tenant, we have this provision in this bill, which I think is very desirable, that if a man owns a tract of land and is using tenants and he divides the payment with the tenants on the basis of the customary division of rents prevailing in the community, the amount the landowner draws in connection with that landlord and tenant relationship shall be exempted from the limitation.

I think this is wise, because otherwise I think a lot of tenants are going to be driven off the land.

Mr. AUGUST H. ANDRESEN. The objection to the consideration of the bill does not come from this side of the aisle today. Several Members here, including myself, have amendments to offer. I think it should be disposed of today, due to the lateness of the season, so that the farmers will know just what they may expect by way of benefit payments; but if gentlemen on the other side are——

Mr. JONES of Texas. The objections probably have come as much from the gentleman's side of the aisle as from this side heretofore, but I think in every instance it has been by those who did not fully understand the purport of the proposed legislation, and I hope the gentleman from Arkansas may be constrained to withdraw his objection to the bill. You know we have had a good many complaints that certain landlords have been disposed to do away with their tenants or to move them off of their lands in order to get the increased payments. I think there are a few human hogs that would take advantage of a Government program that is intended to give the farmer an equal chance in his Government by providing an offset to the tariff system in which he can have no part. I do not propose, so far as I am concerned, to have legislation that will tend to encourage those big producers to take an unfair advantage of the program and get more benefits than they are entitled to. This legislation would tend to protect the man who is farming in this country an average or a family-size farm. There may be a few instances where some man with a large tract of land will be put at a disadvantage, but they are so few and far between as to be negligible, whereas, if this bill is not passed, there are literally thousands of small-type farmers who will suffer by virtue of the failure of its passage. If a man wants to take that responsibility, that is his responsibility, but I want him to understand what he is doing.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Mr. Speaker, it takes just one objection to the gentleman's request and I demand the regular order. If the gentleman wants to object, he can do so. This is just a request that this bill be passed over without prejudice. If the gentleman from Minnesota wants to object, then the bill comes to the floor for consideration.

The SPEAKER. The gentleman from Mississippi demands the regular order. Is there objection to the request of the gentleman from Arkansas that the bill be passed over without prejudice?

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker——

Mr. RANKIN. I have demanded the regular order, Mr. Speaker.

The SPEAKER. The regular order has been demanded. Is there objection to the request of the gentleman from Arkansas that the bill be passed over without prejudice?

There was no objection.

THE STABILIZATION FUND AND ALTERATION OF THE WEIGHT OF THE DOLLAR

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 165), which was referred to the House Calendar and ordered printed:

House Resolution 165

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 3325, a bill to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised. That after general debate, which shall be confined to the bill and shall continue not to exceed 7 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Coinage, Weights, and Measures, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the next bill on the Consent Calendar.

CONSTRUCTION OF VESSELS FOR COAST AND GEODETIC SURVEY

The Clerk called the bill (H. R. 138) to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PAYMENT OF BURIAL EXPENSES, NATIVE EMPLOYEES, SERVING ABROAD

The Clerk called the bill (S. 1523) to authorize the payment of burial expenses and expenses in connection with last illness and death of native employees who die while serving in offices abroad of executive departments of the United States Government.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. BLOOM. Mr. Speaker, I object.

The SPEAKER. Is there objection to the immediate consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The Clerk called the bill (H. R. 3955) to amend section 335 (d) of the Agricultural Adjustment Act of 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 335 (d) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the words "one hundred" and inserting in lieu thereof the words "two hundred."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

REIMBURSABLE FEATURES OF ACT OF JUNE 16, 1933, RESPECTING INDIANS

The Clerk called the bill (H. R. 4679) to amend title II, section 208, of the act approved June 16, 1933 (48 Stat. 205–206), to authorize the Secretary of the Interior to adjust or cancel reimbursable features of said act insofar as they apply to Indians, and for other purposes.

The SPEAKER. Is there objection?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

NAVY AND MARINE MEMORIAL

The Clerk called the bill (H. R. 3234) to provide for the completion of the Navy and Marine Memorial.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $189,634, of which not to exceed $9,850 for architectural fees and $44,384 to the sculptor for the design, professional services, disbursements, and material or so much thereof as may be necessary to be expended under the direction of the National Park Service for the completion of the Navy and Marine Memorial, in accordance with the official plans therefor as approved by the Fine Arts Commission, except that the contract proposal shall not exclude any suitable green granite or stone appropriate for that use, and the discharge of all outstanding obligations with respect to the Navy and Marine Memorial project, including the performance of all uncompleted contracts, except for material not yet furnished.

SEC. 2. All contracts shall be on condition that the work shall be completed within 1 year from the passage of the act.

SEC. 3. The National Parks Service is further authorized and directed to provide adequate drives, parking space, and landscaping to provide for the enjoyment of this memorial by its visitors.

With the following committee amendments:

Line 5, page 1, strike out the entire line beginning with "189,634."

Strike out line 6, page 1.

Line 7, page 1, strike out the words "services, disbursements, and materials."

Insert in lieu thereof the following words: "$100,000, said sum to be expended as follows: Not to exceed $5,000 for architectural fees and full satisfaction of all obligations in connection with the original contract between the Navy and Marine Memorial Association and the architect, and not more than $44,384 for the design, professional services, disbursements, materials, and in full satisfaction of all obligations in connection with the original contract between the Navy and Marine Memorial Association and the sculptor, and the remainder."

Line 1, page 2, strike out the words "and the."

Line 2, page 2, strike out the entire line.

Line 3, page 2, strike out the entire line.

Line 4, page 2, strike out the entire line.

Line 5, page 2, strike out the entire line and insert in lieu thereof the words "The National Park Service is authorized to modify the structural details, if necessary, without deviating from the design."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NATURALIZATION OF ALIEN VETERANS, WORLD WAR

The Clerk called the bill (H. R. 805) to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes.

The SPEAKER. Is there objection?

Mr. GORE. Mr. Speaker, I object.

Mr. CELLER. Mr. Speaker, will the gentleman reserve his objection?

Mr. GORE. No.

AMENDING NATURALIZATION LAWS

The Clerk called the bill (H. R. 4100) to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or organization existing in the United States.

The SPEAKER. Is there objection?

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PUBLIC SCHOOL AT WOLF POINT, MONT.

The Clerk called the next bill, S. 961, for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That here is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $50,000 for the purpose of cooperating with the public-school board of district No. 45, town of Wolf Point, County of Roosevelt, Mont., for completing the construction, extension, equipment, and improvement of the public high-school building at Wolf Point, Mont.: *Provided*, That the expenditure of any money so authorized shall be subject to the express conditions that the school maintained by the said district in the said building shall be available to all Indian children of the Fort Peck Indian Reservation, Mont., on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That plans and specifications for construction, extension, or improvement of structures shall be furnished by local or State authorities without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly on vouchers properly certified by local officials of the Indian Service: *Provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States; and in computing the amount of recoupment for each project interest at 3 percent per annum shall be included on unrecouped balances.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING PENSIONS AND INCREASE OF PENSIONS TO CERTAIN SOLDIERS AND SAILORS

The Clerk called the next bill, H. R. 2301, to amend section 2 of the act entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes," approved May 1, 1926.

The SPEAKER. Is there objection?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, the present bill before the House proposes to advance the marriage date for veterans of the Spanish-American War from September 1, 1922, down to May 1, 1926. It means that any Spanish-American War veteran who married at any time within 38 years after the war had terminated, his widow will then be entitled to receive compensation. I think this is one of the bad features of some of the veterans' legislation that has been passed by the Congress, in that we frequently allow the marriage date to be changed, and as a result we find that a hundred years after the war has been terminated there are widows of veterans still receiving pensions arising out of service in the war.

As a result of the Revolutionary War, fought from 1776 to 1783, it was my understanding that the last widow died in 1906. In the War of 1812, which ended in 1814, the last soldier died in 1905. There is one beneficiary who is still drawing a pension. I believe the last widow died in November of last year, more than 125 years after the war was over.

From the Indian wars, from 1890 to 1898, there are 2,114 living veterans and 4,663 dependents. In the War with Mexico, 1846 to 1848, there are no living veterans, but there are 195 dependents still on the pension rolls. With the Civil War, fought from 1861 to 1865, we still have 5,048 veterans and we have 64,507 widows, largely because we extended the marriage date of the Civil War veterans down to a period 40 years after the termination of that war.

It is my thought that the marriage date should not be extended. The passage of this legislation means that approximately 2,000 women who married veterans between the years 1922 and 1938 would be entitled to recover compensation. In other words, they married veterans 20 years after the war was over. If he suffered any disability they certainly must have been aware of that disability at the time of marriage. Already 2,000 of them have become widows. In other words, they were married to the veteran 20 years after the war and lived with him less than a period of 15 years and will become permanently attached to the pension rolls under this legislation. I think it is a dangerous precedent. I think the Congress should leave the date in 1922, where it now is, and not establish the precedent to be followed by veterans of the World War. While there are not a large number of veterans of the Spanish-American War, you must remember that in the World War we have over 4,000,000 veterans. If you extend the marriage date for World War veterans over 40 years or more you will be paying for the results of the war not only in 2050, but perhaps 2090. I think it is legislation such as this that does greatest harm to those veterans who are deserving and who are entitled to compensation.

Mr. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. SMITH of Washington. The precedent of which the gentleman from California complains has already long since been established in the case of widows of veterans of the Civil War. We have established that precedent in legislation which the Congress has enacted and which is now upon the statute books. This bill, which is very simple and highly meritorious, merely accords to the widows of veterans of the Spanish-American War the same rights and benefits enjoyed by widows of veterans of the Civil War, a precedent which has been recognized by the Congress for many years. The cost of the bill would be comparatively small. The United Spanish War veterans estimate that it could not possibly affect more than 3,500 persons, and would cause an additional cost of $1,000,000. The cost for the first year would probably be much less than $739,000, the estimate of the Veterans' Administration. We purposely fixed the date at January 1, 1938, which is 40 years from the end of the Spanish-American War, the same period as that of the widows of the veterans of the Civil War, so that there would be no inducement or incentive for women to now marry veterans of the Spanish-American War in order to secure those benefits which the gentleman from California seems to fear, which I do not.

The pension to the widow only amounts to $30 per month, which is certainly small enough. These veterans of the Spanish-American War are as much entitled to the companionship and help of a wife as are the veterans of the Civil War at the same period of their lives, and the argument of the gentleman that the veterans of the World War are going to come along and ask for the same relief does not impress me one bit. If it was right and just in the case of the Civil War veterans, it is equally so in the case of the Spanish-American War veterans, and we will take care of the widows of the World War veterans at the proper time. Why must economy always be practiced at the expense of the veterans of our wars and their dependents? When President Roosevelt signed the act in 1935 restoring the pensions to the veterans of the Spanish-American War he reiterated in a statement issued by him at the time the principle and precedent that the Spanish War veterans were to be accorded the same rights and benefits as the veterans of the Civil War. That is all that we are providing in this legislation so far as the widows are concerned and the cost is comparatively small for the good that would be accomplished.

Mr. COSTELLO. So far as the cost is concerned, the gentleman is correct. The first year is estimated at $379,000. The peak of the cost, however, is estimated at approximately $3,000,000. How long it will be before we reach that peak I do not know. I will state to the gentleman that while we have the precedent of the Civil War to rely upon in passing this legislation, we are merely establishing a second precedent so that veterans of the World War will make exactly the same claim. You will make it impossible to break such a precedent. Personally, I do not believe that a woman who marries a veteran 30 or 40 years after the termination of the war is entitled to receive pension benefits. If the veteran whom she marries is suffering a disability, she knows that at the time of marriage and she should get married subject to those conditions and not with the anticipation that she would be entitled to receive compensation for the rest of her days. It is with that thought in mind that I am making these remarks at this time, that unless this precedent of the Civil War is broken, it will be impossible to break the precedent in the future. It becomes more permanently established.

Mr. SMITH of Washington.. The gentleman realizes, does he not, that he is advocating a discrimination against veterans of the Spanish-American War?

Mr. COSTELLO. I am advocating a change in not following the precedent that was established for Civil War veterans.

Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SMITH of Washington. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO, Mr. LEWIS of Colorado, and Mr. LORD objected.

The SPEAKER.. Three objections are heard, and the bill is stricken from the calendar.

LOUISIANA-VICKSBURG BRIDGE COMMISSION

The Clerk called the next bill, H. R. 3224, creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.

Mr. MILLS of Louisiana. Mr. Speaker, inasmuch as efforts are being made to work out certain amendments to the bill which will remove present objections to the bill, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SPANISH WAR VETERANS

The Clerk called the next bill, H. R. 2320, to provide domiciliary care, medical and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in addition to persons entitled to domiciliary care, medical and hospital treatment, and burial benefits under the provisions of sections 6 and 17, Public Law, No. 2, Seventy-third Congress, as amended (U. S. C., title 38, secs. 706 and 717) and regulations issued pursuant thereto, as amended, those persons recognized as veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, under public laws in effect on March 19, 1933, are hereby included within the provisions of the aforesaid section 6, as amended, and the second proviso of the aforesaid section 17, and regulations issued pursuant thereto, as amended, in the same manner and to the same extent as the provisions are now or may hereafter be applied to veterans of any war as specified therein.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENEFITS TO WORLD WAR VETERANS

The Clerk called the next bill, H. R. 2296, to restore certain benefits to World War veterans suffering with paralysis, paresis, or blindness, or who are helpless or bedridden, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That on and after the date of enactment of this act any World War veterans suffering from paralysis, paresis, or blindness, or who is helpless or bedridden, as the result of any disability, may be awarded compensation under the laws and interpretations governing this class of cases prior to the enactment of Public Law No. 2, Seventy-third Congress, March 20, 1933, subject, however, to the limitations, except as to misconduct or willful misconduct, contained in sections 27 and 28 of Public Law No. 141, Seventy-third Congress, March 28, 1934: *Provided*, That the language herein contained shall not be construed to reduce or discontinue compensation authorized under the provisions of section 26 of Public Law No. 141, Seventy-third Congress: *Provided further*, That where a World War veteran dies or has died from disease or injury, and service connection for such disease or injury is established under the provisions of this act, the surviving widow, child, or children, and/or dependent parents shall be entitled to receive compensation at the rates prescribed in Veterans Regulation No. 1 (a), part I, paragraph IV, and amendments thereto: *Provided further*, That for the purposes of awarding compensation under this act, service connection of disability may be determined or redetermined in any cases where claim has been or is filed by the veteran, widow, child, or children, and/or dependent parent or parents.

SEC. 2. In the administration of the laws granting benefits for service-connected disabilities or deaths, any increase of disability during World War service shall be deemed aggravation in the application of the rules, regulations, and interpretations of the Veterans' Administration.

SEC. 3. Payments under the provisions of this act shall be effective the date of enactment of this act or the date of filing claim therefor, whichever is the later.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 18, strike out all of section 2.

Mr. COSTELLO. Mr. Speaker, section 2 of the bill reads as follows:

In the administration of the laws granting benefits for service-connected disabilities or deaths, any increase of disability during World War service shall be deemed aggravation in the application of the rules, regulations, and interpretations of the Veterans' Administration.

I propose to strike out this section because it states that any increase of disability, regardless of whether the increase of disability was caused by reason of service or not, shall be deemed an aggravation in applying the rules of the Veterans' Administration. I think this is not sound legislation. It seems to me that if there be an increase of any disability a veteran may have because of a disability sustained prior to service, that increase should not be related to his service, it should not be deemed due to his service and should not automatically be considered an aggravation because of service. I have, therefore, offered this amendment to strike this section from the bill.

The probable cost of this legislation has not been estimated because of the difficulty of making such an estimate, but I feel that this particular section should be stricken from the bill. I am not opposing the entire bill, but only this one section which makes the normal increase of a disability become a matter of statutory aggravation which the Veterans' Administration must recognize. There is no obligation on the part of the veteran to prove that the increase in disability was due to his service; on the contrary any increase in disability becomes by law an increase in disability due to service. How we can justify such a provision in this bill is inconceivable, and I therefore am opposed to this section and urge that it be stricken from the bill.

LET HIM THAT IS WITHOUT GUILT CAST THE FIRST STONE

Mr. RANKIN. Mr. Speaker, I rise in opposition to the amendment offered by the gentleman from California [Mr. COSTELLO].

Mr. Speaker, of all the cruel and inhuman laws that have ever been passed by the Congress of the United States one of the most cruel was the one which singled out World War veterans for punishment because of alleged social misconduct, denied them compensation for 20 years, held them up to public scorn and ridicule, and visited that punishment upon their wives and children.

Large numbers of these veterans were the best soldiers that ever followed a flag, men who went over the top, if you please; men who bared their breasts to the enemies' bayonets, men who asked for no quarter, men who responded to their country's call when they had no voice in the declaration of war; yet because some medical officer or research worker found that in the veteran's blood was evidence, to him, of former misconduct on the part of the veteran, he has been denied compensation, held up to scorn, and contempt and disgrace; and that disgrace has been visited upon his wife and his children to the third and fourth generation.

For years I have been trying to get this misconduct provision stricken out, and I expect to continue my effort as long as I am a Member of this House, and especially as long as I am charged with the responsibilities with which I am now charged, as chairman of the Committee on World War Veterans' Legislation.

Let us see what effect this amendment would have on these men who went to the war and in the course of that strenuous drilling, in the course of the endurance of all those shots or innoculations they gave the veterans, in the course of bayonet practice, in the course of gun-squad drill, in the course of mounted drill, if you please, by men who had never had their hands on a horse before, in the course of their services on the front standing in muddy trenches, going over the top in the face of blinding fire or standing the shock of shells bursting on every hand. If in the course of that strenuous service they broke down, or came back and found themselves unable to carry on, and some doctor in the Veterans' Administration, or elsewhere, found in his blood evidence of social misconduct somewhere, or something that probably could not be accounted for otherwise, they deny him compensation, and would let him go to the poorhouse, even though he may have a perfect war record and been cited for bravery in the face of the enemy. They not only hold him up to scorn, ridicule, and contempt, and besmirch him for life, but, as I said, they visit that punishment upon his wife and his children, even upon his children's children.

The rest of you can do as you please, but I hope you will vote this amendment down. Many of these men are now blind, many of them are paralyzed and utterly unable to care for themselves.

I certainly hope all who vote for this amendment will put yourselves in the position suggested by the Saviour when He said, "Let him that is without guilt cast the first stone."

Mr. Speaker, I hope the amendment offered by the gentleman from California will be defeated. [Applause.]

Mr. VAN ZANDT. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the legislation we are now considering very vitally concerns approximately 1,200 veterans of the World War and their dependents. Many of you are familiar with the fact that it was my good privilege to head one of America's great veteran organizations for 3 years, and as a result of that service to my comrades, daily I am in receipt of communications asking why the veteran of the World War is faced with the misconduct clause in existing World War veterans' legislation. Then we receive letters from the wife of the veteran, the children of the veteran, as well as relatives of the veteran, asking why, though he, the veteran, may be disabled from a service-connected disability, is not receiving the benefits similar to other veterans of the World War who suffer from identical service-connected disabilities.

The Veterans' Administration cannot tell the wife, the children, the father, or the mother of the veteran why he is not entitled to these benefits, nor can we who speak for the veteran tell him; but oftentimes the wife, the children, the father, and the mother of the veteran receives in a roundabout way information that the veteran is not entitled to benefits simply by reason of a misconduct. As the chairman of the Committee on World War Veterans mentioned a moment ago, the veterans were taken to France, were placed in camps, away from their mothers and fathers and wives; were subjected to various conditions, and now even though they served their country honorably in time of war, even though a machine-gun bullet drilled their bodies, shrapnel mangled their bodies, and even though they inhalted poison gas, by reason of this misconduct clause they are denied benefits.

Mr. Speaker, I appeal to the Members of this House in the name of the veterans of the World War and the organized veterans to join the veterans in voting down this amendment and support the bill without the amendment.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. As a member of the Pensions Committee for many years, I became convinced it was costing the Government more in investigations to deny this particular class of pensioners their benefits than the Government saved. I am for this bill.

Mr. VAN ZANDT. I thank the gentleman for his contribution.

[Here the gavel fell.]

Mr. BULWINKLE. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, when the Veterans' Committee was established in the House of Representatives, we found on investigation that there were any number of cases of men suffering from the so-called social diseases who had paresis, blindness, insanity, and other disabilities incident thereto.

We remembered that when we went into the war any number of young men were taken from their homes. They were told to "do as you please, provided you go to a prophylactic station." Some of these diseases may have been due to their own misconduct. Part was due to the fact that in some instances prophylactic stations were not provided for. I believe in at least three-fourths of the cases through no misconduct of their own this disease was brought upon them. It is one of the most pitiful things we have to contend with to see these men in the hospitals, to see these men suffering from the diseases mentioned, the great majority of them not through any misconduct of their own but from the mere fact that possibly they may have been caused by an innocent contact or by heredity.

This is a harsh and cruel law. In 1924 we provided under an act that they should receive compensation as well as hospitalization. Later on under the Economy Act that law was repealed. I am firmly of the opinion that the Congress of the United States should reenact this bill which comes from the Committee on World War Veterans in order to do justice to these men.

Mr. RANKIN. Will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Mississippi.

Mr. RANKIN. I realize that no man in the House is better qualified to speak for World War veterans than is the gentleman from North Carolina [Mr. BULWINKLE]. No man in this House has a better war record than he has, no man in this House saw more service, and no man has been more diligent in looking after the World War veterans. May I ask the gentleman from North Carolina [Mr. BULWINKLE] if it is not his opinion that a large number, if not a vast majority, of these men who have been thus penalized have not been guilty of the misconduct charged to them?

Mr. BULWINKLE. The gentleman is absolutely right; a very large number from our investigation. I am therefore asking that the amendment offered by the gentleman from California be voted down.

[Here the gavel fell.]

The SPEAKER. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a statement from the Honorable Frank W. Hancock.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THE CONSENT CALENDAR

ADJUSTMENT OF RAILROAD OBLIGATIONS

The Clerk called the next bill on the Consent Calendar, H. R. 5407, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, I should like to ask a question of the gentleman from Tennessee [Mr. CHANDLER]. On page 9, line 4, of this bill, there is a provision that for the ratification of the plan there is needed the consent of creditors holding only three-fifths of the aggregate amount of the claims of each affected class. This means that the holders of 40 percent of the bonds under one mortgage may be bound by the action of holders of the other 60 percent. I know the gentleman from Tennessee has taken great pains to draw up a bill which would be fair to all, but I wonder if the gentleman believes this provision of the bill fully safeguards the widows and orphans and other unorganized small minority holders?

Mr. CHANDLER. Mr. Speaker, I am pleased that the gentleman from New Jersey has asked that question, because it relates to one of the important provisions in the pending bill, and I am glad to have an opportunity to answer the question.

The proviso referred to by the gentleman from New Jersey relates to the final confirmation of the plan of adjustment. It is part of the requirement that creditors holding at least 75 percent of the aggregate amount of claims held by all classes of creditors shall assent to the plan of adjustment, and that creditors holding at least 60 percent of all of any one class of obligations shall assent. This means that there must be affirmative vote by at least 60 percent of that class in whom the gentleman from New Jersey is particularly interested; that is, the individual investors, the widows, orphans, and those who are generally not advised about these matters. This provision does not mean that only 60 percent of this class are in agreement or are willing to assent to this plan, but simply means that there must be affirmative action by at least 60 percent. Naturally, in order for 75 percent of the aggregate of all classes to assent, there will be a larger percentage than 75 percent of

some of the classes, and for the protection of some of the smaller classes the 60-percent minimum has been provided.

Under the present law, section 77, such a high percentage is not required; as a matter of fact, the assent of only 66⅔ percent of those who vote on a plan is required. Obviously, under section 77, there can be a minority reorganization, whereas under this bill there can be no such thing. For the plan to be confirmed it must be almost unanimous, as a practical matter.

The actual agreement of at least 75 percent of all classes and 60 percent of each class indicates that there is no real opposition to the plan of adjustment. For example, assuming that 40 percent of any class of security holders do not vote on a proposed plan of adjustment, that by no means indicates that they oppose the plan. They may favor the plan, as for instance, fiduciaries, such as guardians, executors, administrators, and trustees who are unwilling to assume responsibility or who think they have no legal power to assent. There are many people who keep their securities in the names of nominees and collect their coupons through banks or brokers and with whom the railroad is in no direct communication. Many security holders show indifference to their investment affairs or procrastinate about making up their minds. Ordinarily those people would vote in favor of any reasonable plan rather than oppose it.

There are also foreign investors scattered all over the globe, persons who are traveling, or who are ill and incapable of assenting. Astonishingly, there are many security holders who cannot be located, and I have been informed reliably that where valuable rights are offered to stockholders of corporations, for illustration, from 4 to 8 percent of those rights are not taken up by the beneficiaries.

On the other hand, there are some who definitely will not act or who oppose the plan either on account of its terms or their personal circumstances. To these and all others, full opportunity is given to be heard, both before the Interstate Commerce Commission and by the three-judge court. Any one person who may feel himself affected by the proposed plan can have his day in court.

The most troublesome group are those not of investor types but who frequently acquire securities at low prices and institute legal proceedings to enforce full payment. Recognizing that the majority have assented or will assent to the plan and in the hope that the railroad wants to avoid receivership, they take full advantage of the situation. The actual number of these people is relatively small, but their influence is large. Many investors favor a plan but do not wish to be imposed upon and refrain from signing an assent for fear of preferential treatment to such a minority.

It should be mentioned that under section 77, although the requisite number of assents to a plan of reorganization may not be obtained, the court, nevertheless, can confirm a plan if the judge is satisfied that it is fair and equitable. No such minority confirmation is possible under the bill now before us, and I have no hesitancy in saying that this bill contains the highest protective provisions ever placed in a bankruptcy act.

It should be said that only two material objections were made to the bill in committee, and one of them was that the percentages required for confirmation of a plan of adjustment are too high. Hon. Jesse Jones, Chairman of the Reconstruction Finance Corporation, wrote the committee that he thought that "where as many as two-thirds of all security holders and a majority of each class agree upon a modification or rearrangement of the capital structure of a railroad there should be a legal way of making it effective." However, the committee decided that if error was inevitable they would prefer to err on the side of conservatism, and the higher percentages were adopted after thorough consideration.

Mr. Speaker, I shall be pleased to explain any other phases of the bill, if I can.

Mr. HOBBS. Reserving the right to object, Mr. Speaker, is there not a class including a great many persons who hold securities as trustees and who, in order to consent, would have to petition a court? Therefore, the time element involved would tend to prevent such persons from voting in the affirmative.

Mr. CHANDLER. Yes; there are security holders who fall in that category, and the court proceeding under this bill must be completed within 1 year after it is started, unless good cause is shown justifying a brief extension of time.

Mr. LEWIS of Colorado. Reserving the right to object, Mr. Speaker, although, unfortunately, I am not very familiar with this bill, my understanding of the gentleman's statement before the Rules Committee is that if a railroad is already in a section 77 proceeding it is not possible to work out a composition unless the section 77 proceeding is dismissed.

Mr. CHANDLER. The gentleman from Colorado is correct, and there are very practical reasons for that.

In section 77 proceedings the railroad is placed in the hands of trustees who take over management, control, and operation of the properties. Counsel are engaged, and the railroad undergoes thorough overhauling from the ground up. Under this bill the railroad continues to operate under its own management as usual. No trustees, attorneys, and so forth, are required, and there is no disturbance of employee relationships, or the operation of the railroad by cutting off trains, and so forth. Section 77 proceedings can be involuntary, but proceedings under this bill are voluntary only. Under section 77 payments stop on preexisting obligations of the railroad, and bondholders get no interest. Under this bill taxes, operating expenses, wages, employment contracts, equipment trust certificates, unliquidated claims, and other similar obligations are not affected, and during the pendency of the proceeding, the petitioning railroad must continue to make payments to all creditors affected by the plan of obligations currently payable and equal to the amounts proposed to be paid under the plan, thereby preventing the discontinuance of interest payment, and so forth, as would be the case if the petition were filed in accordance with section 77, or in equity.

Under section 77 the plan of reorganization is worked out after the railroad is in court, and there are many hearings by the Federal courts and also by the Interstate Commerce Commission. In the pending bill the plan is prepared by the railroad and submitted to creditors and stockholders before any proceedings whatever are started, and if the holders of 25 percent of the claims affected by the plan indicate a willingness to go along, the railroad then submits the proposed plan to the Interstate Commerce Commission for careful study in accordance with section 20 (a) of the Interstate Commerce Act. There are other differences which might be mentioned if I had time. Suffice it to say that under the pending bill the procedure is direct and simple, whereas under section 77 it is complicated and sometimes interminable, and I am sure that the gentleman from Colorado will see readily how difficult it would be to merge a section 77 proceeding with a proceeding under the pending bill.

Mr. LEWIS of Colorado. I can see the difficulty. Nevertheless, the procedure proposed under the pending bill has been received in general with great approval. The difficulty is that you might dismiss the proceeding under section 77 without any assurance that you could work out a composition plan under the provisions of the pending bill.

Mr. CHANDLER. But the beginning of a proceeding under this bill is entirely out of court. If the security holders desire at any time to prepare a plan with the assistance of the railroad itself they can do so, and if they get the requisite number of security holders to assent to such a proceeding, they should be able to dismiss the section 77 case, and complete the reorganization under the new statute. However, they cannot carry through this proceeding with a section 77 proceeding still pending.

Mr. LEWIS of Colorado. It would be possible, however, to initiate such a proceeding under the pending bill even though the proceedings under section 77 were still pending?

Mr. CHANDLER. Yes; it is possible to initiate such a proceeding because it is initiated out of court.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, as a matter of fact, hearings were held on this bill and extensive publicity was given to them. Everyone appearing—and many did appear—was for the bill. Organized railroad labor is for it, the owners are for it, the insurance company investors are for it, and the savings-bank investors are for it. All those interested appearing favored the bill, and the committee gave very careful consideration to the whole matter. Is not that correct?

Mr. CHANDLER. That is correct; and the gentleman from Michigan [Mr. MICHENER] took an especially valuable part, may I say in justice to him, in the work on this bill, and has been of great assistance to the Subcommittee on Bankruptcy and Reorganization.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to my colleague on the committee from Alabama.

Mr. HOBBS. Is it not also a fact, in answer to the question of the gentleman from Colorado [Mr. LEWIS], that the railroads that are in process of reorganization under 77 are for the most part so much more involved financially than that class of railroads that this legislation is aimed to benefit that they would probably not be interested in this plan at all?

Mr. CHANDLER. Yes; the gentleman is correct; and may I say that this legislation will be of great benefit to railroads which have not reached the status where they must apply for relief under section 77.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. By my interrogatories of the gentleman I did not wish in any way to criticize but to praise this bill. However, some question has been raised by those interested and who have found so much merit in the pending bill that they are wondering if they might not avail themselves of its provisions, even though they are already, as they express it, "enmeshed in 77."

Mr. CHANDLER. I think it may be possible and quite probable that many railroads now in court in one way or another may be able to work out their problems and then seek relief under this bill if enacted into law. I have the feeling that this bill's usefulness will expand with experience under it.

Mr. McLAUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Nebraska, a member of the committee.

Mr. McLAUGHLIN. Is it not a fact that this bill provides for voluntary reorganization on the part of railroads which are not hopelessly insolvent with a minimum of court procedure?

Mr. CHANDLER. Right.

Mr. McLAUGHLIN. And referring to the question of the gentleman from New Jersey [Mr. KEAN], is it not true that this bill provides for and requires a greater acquiescence on the part of security holders than is required under section 77, the present law?

Mr. CHANDLER. Correct.

Mr. McLAUGHLIN. And to that extent further protects the security holders?

Mr. CHANDLER. That is entirely true.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Montana.

Mr. O'CONNOR. I want to say to the gentleman that I have received great support for his bill and I favor the legislation, but am wondering how, if at all, stockholders will be affected by this procedure.

Mr. CHANDLER. Stockholders, I think, will gain a distinct advantage in that they will have their investment salvaged, as it were, by working out this proceeding, which will be for their benefit along with the benefit of security holders of the various classes.

Mr. O'CONNOR. In other words, this bill will not only be beneficial to the railroads but to the stockholders as well, and also to the creditors.

Mr. CHANDLER. Yes; and particularly to the people who work for the railroads.

Mr. O'CONNOR. And to the public generally.

Mr. CHANDLER. It will not interfere with the employee relationships and the contracts with the employees of the railroads, or interfere with the payment of taxes and running expenses in the operation of the railroads.

Mr. FLANNERY. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Pennsylvania.

Mr. FLANNERY. Is it not a fact that every party who might have an interest, direct or indirect, has approved of this legislation?

Mr. CHANDLER. Yes; it has the approval of every interest.

Mr. McLAUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman.

Mr. McLAUGHLIN. In connection with the question of the gentleman from Pennsylvania, will the gentleman permit me to call attention to the last paragraph of the report which was drawn by the distinguished gentleman from Tennessee and which reads as follows:

> The proposed legislation has the endorsement and approval of railroad owners, railroad employee organizations, railroad managements, investors, newspapers, public officials, and, it is believed, has the sanction of the public generally.

This correctly states the situation, does it not?

Mr. CHANDLER. Yes; it does.

Now, Mr. Speaker, I would like to call to your mind the fact that it was you who first suggested the working out of this bill. You will remember that following receipt of the President's message last year urging Congress to take necessary steps for the immediate relief of railroads you invited to your office the chairman of the Committee on the Judiciary, the distinguished gentleman from Texas [Mr. SUMNERS], whom we all love and admire, and invited me with him, and you asked the Committee on the Judiciary to begin the study of this question.

We have not undertaken to decide here all of the problems of the railroads. In fact that is not possible in any single statute, but the Committee on the Judiciary has tried to provide a bill whose purpose is to enable railroads which are fundamentally sound as transportation systems but which are handicapped financially by maturing obligations or unnecessarily heavy capital structures, to enter into agreement with their creditors and security holders for the postponement or modification of obligations, and submit such agreements to the Interstate Commerce Commission and then to courts of bankruptcy for hearing and appropriate action by which such agreements are made effective without impairing the normal operations, employee relations, and the permanent stability of the railroads.

Generally speaking, American railroads may be divided into three groups:

First. Those clearly solvent and in position to operate successfully.

Second. Those insolvent and needing complete reorganization as provided by section 77 of the Bankruptcy Act.

Third. Those in temporary financial difficulties and requiring temporary relief but not so involved as to require thorough overhauling of their capital structures.

This bill, if enacted, will make available to the railroads in the third group, and to their subsidiaries and lessor corporations, the bankruptcy power contained in article I, chapter 8, clause 1, of the Constitution of the United States, which permits Congress to establish uniform laws on the subject of bankruptcies.

Stated briefly, any railroad desiring to effect an adjustment of certain of its obligations, as well as the modification or postponement of its securities or its capital structures, prepares a proposed plan of adjustment and secures assurances of acceptance of the plan from creditors and security holders having at least 25 percent of the claims affected thereby. Whenever the minimum of 25 percent of the aggregate amount of the claims affected by the proposed plan of adjustment give such assurance, the railroad is authorized to submit the proposed plan to the Interstate Commerce Commission

for examination in accordance with the requirements of section 20a of the Interstate Commerce Act. Should all of the requirements of said section 20a be met, the Commission is authorized to issue an order approving the issuance or modification of the securities involved in the plan.

Among the salient provisions of section 20a on which the Interstate Commerce Commission is required to make findings prior to the issuance of the order referred to are:

Such proposed issuance or modification of securities is in the public interest, is consistent with the continuance by the railroad corporation of service to the public as a common carrier, and will not impair its ability to perform such service.

Thereafter the railroad desiring to effect such proposed plan shall obtain assents thereto by its creditors holding "more than two-thirds of the aggregate amount of the claims affected by said plan, which two-thirds shall include at least a majority of the aggregate amount of the claims of each affected class." When such assents are secured, the railroad may file a petition in the United States district court having jurisdiction as provided in the bill, and a special court of three judges is convened to conduct the proceedings relative to such plan, hold hearings, and exercise jurisdiction over the petitioning railroad and its property, although the court does not appoint a receiver or trustee or undertake to control the operation of the carrier.

If the three-judge court, after hearings, be satisfied that the proposed plan of adjustment has been assented to by the requisite percentages aforesaid, and "that the plan is fair and equitable, is in the public interest, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of the various classes of creditors and stockholders," the court shall file an opinion setting forth its conclusions and the reasons therefor and shall enter a decree approving and confirming such plan, provided the plan, as submitted to or as modified by the court, has been accepted by creditors holding more than three-fourths of the aggregate amount of the claims affected by the plan, including at least three-fifths of the aggregate amount of the claims of each affected class.

Upon confirmation of the plan, the decree of the three-judge court is binding on the petitioner and on all the creditors and security holders of the railroad. While the effect of the decree of the court is to establish the plan of adjustment over the possible objection of a dissenting minority of less than 25 percent of all of the creditors and security holders affected thereby, care has been taken that the rights of minority interests shall be properly safeguarded and that due process of law shall be exercised.

The Interstate Commerce Commission is given a maximum of 120 days within which to discharge fully its responsibilities as set forth in section 20a of the Interstate Commerce Act, and the public interest in the proceeding is protected by the finding of the Commission, after hearing, that the issuance or modification of securities as proposed conforms to section 20a. The private rights of creditors and stockholders are protected in the proceedings conducted by the three-judge court, and by its findings as required by section 725 of the bill. Moreover, the plan of adjustment approved by the three-judge court may contain appropriate provisions for the safeguarding of the interests of creditors and others affected by the plan "in all matters of the petitioner's financial policy and operation."

Prompt review of the decision of the three-judge court is authorized by certiorari to the United States Supreme Court.

Mr. Speaker, one further point should be mentioned. This legislation expires in 5 years, and is designed to help meet what we all hope is a temporary condition of hard times for the railroads. The Committee on the Judiciary thought that legislation of a permanent character might have some unfavorable effect on railroad credit, and many of us believe that economic conditions furnish the principal obstacle to railroad reorganization. However, if the time of the law should be extended, that can be done in the light of the experience which will develop within 5 years.

As the gentleman from Maryland [Mr. COLE] wrote me recently about the bill:

Designed, as it is, to facilitate voluntary adjustments between railroad companies and a substantial majority of the holders of their securities with the possible avoidance of long and expensive bankruptcies and the shock to our general business and economic situation of having a number of additional large systems forced into bankruptcy, there would appear no ground for opposition.

The committee has had fine cooperation from all interested parties, and we hope that there will be no objection to the passage of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended, is hereby further amended by adding thereto a new chapter, to be designated chapter XV, and to read as follows:

"CHAPTER XV—RAILROAD ADJUSTMENTS

"ARTICLE I—JURISDICTION

"SEC. 700. In addition to the jurisdiction otherwise exercised, courts of bankruptcy shall exercise original jurisdiction, as provided in this chapter, for postponements or modifications of debt, interest, rent, and maturities, or for modifications of the securities or capital structures of railroads.

"ARTICLE II—DEFINITIONS

"SEC. 705. The following terms, as used in this chapter, unless a different meaning is plainly required by the context, shall be construed as follows:

"(1) 'Petitioner' means any carrier as defined in section 20a of the Interstate Commerce Act, including any corporation in equity receivership, petitioning for a plan of adjustment, as hereinafter defined.

"(2) 'Claims' includes debts, whether liquidated or unliquidated, certificates of deposits of securities (other than stock and option warrants to subscribe to stock), including demands and obligations of whatever character made, assumed, or guaranteed by the petitioner.

"(3) 'Debt' shall be considered to include all claims held or owned by 'creditors' as hereinafter defined.

"(4) 'Creditors' shall include all holders of claims, demands, and obligations of whatever character against the petitioner or its property, whether or not such claims would otherwise constitute provable claims in bankruptcy, including the holders of claims made, assumed, or guaranteed by the petitioner.

"(5) 'Securities' shall include those defined in section 20a of the Interstate Commerce Act, as amended, and also certificates of deposit and all other evidences of ownership of or interest in securities.

"(6) 'Commission' refers to the Interstate Commerce Commission.

"(7) 'Adjustment' shall include postponements or modifications of debt, interest, rent, and maturities and modifications of the securities or capital structures.

"SEC. 706. No creditor shall be deemed to be 'affected' by any plan unless such plan proposes a modification of the evidence of debt or other instrument defining the rights of such creditor, or a modification of the security, if any, for the claim of such creditor.

"ARTICLE III—PETITION AND POWERS OF COURT

"SEC. 710. Any railroad corporation not in process of reorganization under section 77 of the Bankruptcy Act which, before or after the effective date of this chapter, shall have—

"(1) Prepared a plan of adjustment and secured assurances satisfactory to the Commission of the acceptance of such plan from creditors holding at least 25 percent of the aggregate amount of the claims affected by said plan of adjustment; and

"(2) Thereafer obtained an order of the Commission, under section 20a of the Interstate Commerce Act, authorizing the issuance or modification of securities as proposed by such plan of adjustment (other than securities held by or to be issued to Reconstruction Finance Corporation), such order of the Commission to include also a specific finding that such proposed issuance or modification of securities is in the public interest, is consistent with the continuance by the railroad corporation of service to the public as a common carrier, and will not impair its ability to perform such service; and

"(3) Secured assents to such plan of adjustment by creditors holding more than two-thirds of the aggregate amount of the claims affected by said plan, which two-thirds shall include at least a majority of the aggregate amount of the claims of each affected class,

may file in the United States district court in whose territorial jurisdiction such railroad corporation has had its principal executive or principal operating office during the preceding 6 months or a greater period thereof, its petition averring that it is unable to meet its debts, matured or about to mature, and desires to carry out the plan of adjustment.

"If a receiver of such railroad corporation has been appointed by a court of the United States and is in office, such petition shall be filed in the court having primary jurisdiction in such receivership proceeding.

"A copy of the order obtained from the Commission, as above provided, shall be filed with the petition and made a part thereof.

"SEC. 711. Any corporation which has complied with subparagraphs (1), (2), and (3) of the first sentence of section 710, and in which corporation the majority of the capital stock having power to vote for the election of directors is owned, directly or indirectly, through an intervening medium by any railroad corporation which has filed a petition hereunder, or any corporation which is a lessor of the petitioning corporation and which has complied with the aforesaid subparagraphs (1), (2), and (3) of section 710, may file its petition in the same court in which the petition first aforesaid shall have been filed, and such petitions shall be heard and disposed of in a single proceeding.

"SEC. 712. The petition shall be accompanied by payment to the clerk of a filing fee of $100, which shall be in addition to the fees required to be collected by the clerk under other sections of this act, or any other act.

"SEC. 713. Immediately following the filing of the petition, there shall be convened a special court of three judges in the manner provided by section 266, as amended, of the Judicial Code, and thereafter all proceedings relative to such plan or any modification thereof shall be conducted before such court. Such three-judge court shall be vested with and shall exercise all the powers of a district court sitting in equity and all the powers as a court of bankruptcy necessary to carry out the intent and provisions of this chapter, including the classification of claims at such time and in such manner as the court may direct.

"SEC. 714. The special court, after hearing, promptly shall enter an order approving the petition as properly filed under this section if satisfied that such petition complies with this section and has been filed in good faith, or dismissing such petition if not so satisfied.

"SEC. 715. If the petition is approved by the special court, the said court, during the pendency of the proceedings under this chapter, shall have exclusive jurisdiction of the petitioner and of its property wherever located to the extent which may be necessary to protect the same against any action which might be inconsistent with said plan of adjustment or might interfere with the effective execution of said plan if approved by the court, or otherwise inconsistent with or contrary to the purposes and provisions of this chapter: *Provided, however,* That nothing herein contained shall be construed to authorize the court to appoint any trustee or receiver for said properties or any part thereof, or otherwise take possession of such properties or control the operation or administration thereof.

"ARTICLE IV—HEARINGS

"SEC. 720. The special court shall fix a date for a hearing to be held promptly after the filing of the petition and notice of such hearing or hearings shall be given to all creditors affected by the plan in such manner as the court shall direct. In such proceeding, the court may allow such interventions of parties in interest as it may deem just and proper, but any holder of securities of the petitioner shall have the right to present evidence and be heard thereon, in person or by attorney, with or without intervention.

"SEC. 721. After such hearing, the special court may approve the plan as filed or modify such plan and approve the same as so modified. If the court shall modify the plan in a manner which the court shall find substantially or adversely affects the interests of any class or classes of creditors, such plan shall be resubmitted, in such manner as the court may direct, to those creditors affected by such modification and shall not be finally approved until after reasonable time, fixed by the court, is allowed for said creditors to be heard thereon.

"SEC. 722. If the United States, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States, is a creditor or stockholder, the Secretary of the Treasury is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. If in any proceeding under this chapter the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in or claim against the debtor as creditor or stockholder), no plan shall be approved by the court if it provides for the payment of less than the full amount of such claim or provides for any postponement of such payment unless the Secretary of the Treasury shall certify to the court his willingness to accept a lesser amount or agrees to such postponement.

"ARTICLE V—PROCEEDINGS SUBSEQUENT TO APPROVAL OF PETITION

"SEC. 725. If the special court shall be satisfied—

"(1) That, at the time of the filing of said petition as provided in article III hereof, the proposed plan of adjustment had been assented to by not less than two-thirds of the aggregate amount of all claims of the petitioner affected by such plan, including at least a majority of the aggregate amount of claims of each such class;

"(2) That the plan of adjustment as submitted or as modified by the court has been accepted as submitted or as modified by or on behalf of creditors affected by such plan holding more than three-fourths of the aggregate amount of the claims affected by said plan, including at least three-fifths of the aggregate amount of the claims of each affected class;

"(3) That the plan is fair and equitable, is in the public interest, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of the various classes of creditors and stockholders; and

"(4) That all corporate action required to authorize the issuance or modification of securities pursuant to such plan shall have been duly taken;

Said court shall file an opinion setting forth its conclusions and the reasons therefor and shall enter a decree approving and confirming such plan and the adjustment provided thereby, which decree shall be binding upon the petitioner and upon all creditors and security holders of the petitioner; and thereafter the petitioner shall have full power and authority to and shall put into effect and carry out the plan and the orders of the special court relative thereto and issue the securities provided by the plan without further reference to or authority from the Commission or any other authority, State or Federal, and the rights of all creditors and security holders with respect to claims and securities affected by the plan shall be those provided by the plan as so approved and confirmed: *Provided, however,* That the title of any owner, whether as trustee or otherwise, to rolling-stock equipment leased or conditionally sold to the petitioner, and any right of such owner to take possession of such property in compliance with the provisions of any such lease or conditional sale contract, shall not be affected by the provisions of this chapter.

"The plan of adjustment may contain appropriate provisions whereby the interests of creditors affected by the plan shall be safeguarded in all matters of the petitioner's financial policy and operations.

"SEC. 726. After the special court shall have approved as properly filed a petition pursuant to article III hereof, the special court, from time to time during the pendency of the proceedings hereunder, may enjoin the institution of, or stay, any action or proceeding to enforce any right against the petitioner or its property basis upon claims affected by the proposed plan of adjustment in any court, State or Federal, whether for the enforcement of any such claim or for the appointment of receivers in equity or of the institution or prosecution of a proceeding under section 77 of the Bankruptcy Act or otherwise: *Provided, however,* That no such stay shall affect any proceeding to enforce any claim which would be required to be paid if the plan of adjustment proposed by the petitioner were then in effect.

"SEC. 727. Unless the plan of adjustment as submitted or as modified shall have been confirmed by the special court within 1 year from the date of filing the petition, the proceedings shall be dismissed unless, for good cause shown, on motion of any party in interest the court shall determine otherwise.

"SEC. 728. Without prejudice to existing rights of all creditors, including those affected by the plan, and as a condition to the approval of any plan by the special court, the petitioner, from and after the filing of the petition with the court and until the making of a final order by the special court approving a plan or dismissing the petition, shall continue to make or tender payment to all creditors affected by the plan of sums currently payable to such creditors equal to the amounts proposed to be paid to such creditors under the plan. If, from and after the filing of the petition with the special court, there shall be any failure to make or tender such payments, the special court, unless there is good cause shown for the failure, shall dismiss the proceedings. In finally approving any plan, the court may make or require to be made such adjustments with respect to said payments or any of them as may be necessary to make the same conform to the provisions of said plan as finally approved.

"SEC. 729. In providing for any such payments the petitioner may require any bond or other security, including interest coupons affected by such payments to be presented to or deposited with a paying agent or depositary named by the petitioner for appropriate stamping to show the amounts and circumstances of such payment.

"ARTICLE VI—TAX PROVISIONS

"SEC. 735. The provisions of sections 1801, 1802, 3481, and 6482 of the Internal Revenue Code and any amendments thereto, unless specifically providing to the contrary, shall not apply to the issuance, transfer, or exchange of securities or the making or delivery of conveyances to make effective any plan of adjustment confirmed under the provisions of this chapter. No income, gain, or profit taxable under any law of the United States or of any State, now in force or hereafter enacted, shall in respect to the adjustment of the indebtedness of any petitioner in a proceeding under this chapter be deemed to have accrued to or to have been realized by such petitioner by reason of a modification of or cancelation in whole or in part of any of the indebtedness of the petitioner affected by a proceeding under this chapter.

"SEC. 736. In addition to the notices elsewhere expressly provided, the clerk of the court in which any proceedings under this chapter are pending shall forthwith transmit to the Secretary of the Treasury copies of—

"(1) Every petition filed under this chapter;

"(2) The orders approving or dismissing petitions;

"(3) The orders approving plans as filed or as modified, together with copies of such plans as approved;

"(4) The decrees approving and confirming plans and the adjustments provided thereby, together with copies of such plans as approved;

"(5) The injunctions or other orders made under section 726 of this chapter;

"(6) The orders dismissing proceedings under this chapter; and

"(7) Such other papers filed in the proceedings as the Secretary of the Treasury may request or which the court may direct to be transmitted to him.

"SEC. 737. Any order fixing the time for confirming a plan which affects claims or stock of the United States shall include a notice of not less than 30 days to the Secretary of the Treasury.

"ARTICLE VII—INTERSTATE COMMERCE COMMISSION

"SEC. 740. If, in any application filed with the Commission pursuant to section 20a of the Interstate Commerce Act for authority to issue or modify securities, the applicant shall allege that the purpose in making such application is to enable it to file a petition under the provisions of this chapter, the Commission shall take final action on such application as promptly as possible, and in any event within 120 days after the filing of such application.

"ARTICLE VIII—FINAL DECREE AND REVIEW

"SEC. 745. Any final order or decree of the special court may be reviewed by the Supreme Court of the United States upon application for certiorari made within 30 days after the entry of such order or decree, pursuant to the provisions of the Federal Judicial Code.

"SEC. 746. In the decree approving and confirming the plan the court may require such reports of the action taken by the petitioner thereunder in the execution of the plan as may be necessary to a final disposition of the cause, and in its final decree disposing of the cause the court shall retain jurisdiction in the district court to the extent necessary to protect and enforce the rights of the parties under said plan and the orders of the court thereon.

"ARTICLE IX—SAVING CLAUSE

"SEC. 750. If any provision of this chapter, or the application thereof to any railroad corporation or circumstances, is held invalid, the remainder of this chapter, or application of such provisions to other railroad corporations or circumstances, shall not be affected thereby.

"ARTICLE X—TERMINATION OF JURISDICTION

"SEC. 755. The jurisdiction conferred upon any court by this chapter shall not be exercised by such court after 5 years from the effective date of this chapter, except in respect of any proceeding initiated by filing a petition under section 710 hereof on or before the termination of such 5-year period."

Mr. CHANDLER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHANDLER: On page 10, in line 20, after the word "property", strike out the word "basis" and insert the word "based."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF SOLDIERS WHO SERVED IN PHILIPPINE ISLANDS

The Clerk called the bill (H. R. 289) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain, who were held to service in the Philippine Islands for service in the Philippine Insurrection after April 11, 1899, and after the conclusion of peace with the Kingdom of Spain, shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899: *Provided*, That no benefits shall accrue under any provision of this act to any person whose claim is based upon the service of any such officer or soldier discharged in the Philippine Islands at his own request.

SEC. 2. Claims hereunder shall be settled in the General Accounting Office, and shall be payable to the officer or soldier, or if the person who rendered the service is dead, then to his widow, children in equal shares (but not to their issue), father, or mother as provided by existing acts relating to the settlement of accounts of deceased officers and soldiers of the Army (34 Stat. 750), but if there is no widow, child, father, or mother at the date of settlement, then no payment on account of the claim shall be made.

SEC. 3. The Comptroller General is authorized and directed to certify to the Congress, pursuant to the provisions of section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), all claims allowed hereunder.

SEC. 4. Application for the benefits of this act shall be filed within 3 years after the date of its passage.

SEC. 5. Payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers in any application under this act shall not exceed the sum of $10; any person collecting or attempting to collect a greater amount than is herein allowed shall be guilty of a misdemeanor and shall be punishable by a fine of not more than $500 or by imprisonment for not more than 2 years, or by both such fine and imprisonment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend in the RECORD at this point in regard to the bill just passed, H. R. 289, and to include statements of United Spanish War Veterans and Veterans of Foreign Wars.

The SPEAKER pro tempore (Mr. WARREN). Is there objection?

There was no objection.

PHILIPPINE TRAVEL PAY

Mr. SMITH of Washington. Mr. Speaker, the passage of H. R. 289, for the payment of travel pay to the officers and enlisted men of State Volunteer regiments who served in the Philippine Islands beyond the period of their enlistment in the same sum as was paid to enlisted men of the Regular Army who were discharged in the Philippines, is a performance of the promise which was made by our Government at the time, 40 years ago. It is to be hoped that the bill will now be promptly passed by the Senate and receive the approval of the President so that these veterans may finally receive their just dues.

I insert at this point as part of my remarks certain statements by veterans' organizations relating to the merits of this legislation.

Statement of United Spanish War Veterans and National Tribune, Washington, D. C.:

In the spring of 1898 Volunteer soldiers were enlisted to serve the United States in the Spanish-American War, their enlistments, reading "for 2 years or until the expiration of the War with Spain." Fifteen thousand of these men were sent to the Philippine Islands.

On February 4, 1899, the Filipinos started an uprising against the American forces then in Luzon and our Volunteers there were used to repel their attacks. On April 11, 1899, the treaty of peace between the United States and Spain was ratified and the services of these Volunteers automatically came to a close. But the islands were 10,000 miles away, trouble was in the air, and troops were needed.

In the meantime The Adjutant General of the United States Army had cabled to General Otis, commanding officer of the Philippines, asking if he could reenlist the Volunteers in the islands and use them until replacement troops could be sent over. General Otis cabled back most of them would remain upon the condition that the United States would allow them their travel pay home in cash (this being their just due for Spanish War enlistment) and also transport them back to the States at the end of their extended service period. Our Government proceeded along these lines and General Otis told his officers to so instruct the men. This was done and practically all soldiers remained and, though never reenlisted, fought for from 4 to 6 months longer than their original enlistment called for.

They were brought back to America in the fall of 1899, but Congress had made no appropriation and we were discharged without the promised travel pay. President McKinley, who knew the facts and who was understood to acknowledge this was an obligation of the Government to the Volunteer soldiers, who assassinated before he could accomplish its settlement, and to this day the Government has never discharged its obligation to the Philippine volunteers.

They deserve and ask payment of the money promised and due them for service rendered the United States after April 11, 1899, because:

1. Travel pay was the authorized money promised them for 6 months' reenlistment, the same as other soldiers received whose time had expired and who reenlisted in the Army.

2. Thirty-nine years is too long a time for any just government to withhold payment of an obligation.

3. The War Department received and thoroughly understood General Otis' cablegram of March 16, 1899, and their subsequent action was based upon information furnished in this message.

4. This travel pay was a proposition made by the Government to the soldiers—not a proposition of the soldiers to the Government.

5. Had they refused the Government's own proposition to remain and fight, the United States would have spent many times over the amount of this travel allowance in an effort to regain territory lost by their retirement.

6. The Army officers simply held them to additional service. They did not go through the formality of muster out and remuster in when their original enlistments had expired. Under existing circumstances the procedure would have been physically impossible.

7. The fact that the Volunteers on duty April 11, 1899, were not mustered out and remustered in does not alter the condition. They performed for the Government above and beyond the terms of their enlistment, for which the Government has never made good

its financial obligation promised them by the officers in charge in the Philippines.

8. Without the work of these Volunteers in the spring and summer of 1899 the United States would have found herself in a sorrowful plight, a plight that would have cost millions and millions of dollars, many more troops, and the sacrifice of lives untold.

9. The United States received immense benefits from this extended service, payment for which, though promised at the time, was never made.

10. The Government's word should be as binding as the law.

11. The Philippine soldier never questioned the word of his superior officers. When told he would receive the travel pay he believed this statement to be true. This confidence was the enlisted man's right as well as his duty.

12. The Government itself, more than any other organization, should set an example of honesty and integrity in meeting its obligations and upholding the officers of the Army in their promises to the enlisted men.

13. The veterans for years have never demanded or insisted upon payment of this back salary because they have always trusted in the honesty of the United States Government and felt that in due time they would receive what their country owed them.

14. The Government has paid out, and is still spending, hundreds of millions for the needy. This six or seven million dollars, a just and long-overdue obligation, should be paid and charged to the fund for which it is really going—relief.

15. These Philippine veterans now average more than 60 years of age. They are past the age of employment, and many of them are on charity. It is only equitable and right that the Government should do its duty toward them in the evening of their life and in their hour of need.

16. The fact that these soldiers were mere individuals and correspondingly helpless should spur the Government on toward paying its honest obligations.

17. The United States Government has not kept faith, nor can it ever keep faith with the dead, the 30 percent of that great Philippine army who since 1899 have silently passed on to their Maker.

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
NATIONAL HEADQUARTERS,
Kansas City, Mo., April 17, 1939.

The Honorable MARTIN F. SMITH,
Chairman, House Committee on Pensions,
House Office Building, Washington, D. C.

Re: Philippine travel pay, H. R. 289.

MY DEAR CONGRESSMAN SMITH: The so-called Philippine travel pay bill, H. R. 289, introduced by you, and recently favorably reported out by the House Committee on War Claims, will very probably be called on the Consent Calendar of the House today.

It is hoped that no objections will be voiced against the adoption of this meritorious bill by the House. This bill would discharge a long overdue promised payment of travel pay, to about 15,000 veterans of the Spanish-American War, who, in response to a plea by President McKinley and the Secretary of War, volunteered to remain in the Philippines, after the termination of that war in order to repel the Philippine Insurrection until the Regular Army could be brought over.

Superior officers directly advised all of these volunteers that if they did remain in the Philippine Islands to take care of the Philippine Insurrection they would be entitled to travel pay and commutation back home, as though they had been discharged and reenlisted, in addition to their actual transportation back home. Those who did insist upon going through the technical paper process of then being discharged did receive their travel pay, and after the completion of service incident to their immediate reenlistment were subsequently transported back to the United States.

It would appear that this moral obligation on the part of the United States to pay such travel pay to these men should now be liquidated, 40 years after the promises to make such payment to them were originally proffered to induce them to remain in the Philippine Islands for the purpose of repressing the Philippine Insurrection.

Your able presentation of this question is indeed much appreciated, and will, we hope, impel Members of the House of Representatives to voice no objection against the passage of this justifiable legislation.

With kindest regards, I am

Respectfully yours,

MILLARD W. RICE,
Legislative Representative.

EMIGRATION OF FILIPINOS FROM UNITED STATES

The Clerk called the bill (H. R. 4646) to provide means by which certain Filipinos can emigrate from the United States.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

UNIFORM RULE OF NATURALIZATION OF ALIENS

The Clerk called the bill (H. R. 5030) to amend section 4 of the act of June 29, 1906, entitled "An act to establish a Bureau of Immigration and Naturalization and to provide for a uniform rule for the naturalization of aliens throughout the United States."

The SPEAKER pro tempore. Is there objection?

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ALLOTMENT OF SEAMEN'S WAGES

The Clerk called the bill (H. R. 199) to amend section 10 (b), (c), and (d) of the act of June 26, 1884, as amended (U. S. C., 1934 edition, title 46, sec. 599), relative to the allotment of wages by seamen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (b), (c), and (d) of section 10 of the act of June 26, 1884, as amended (U. S. C., 1934 edition, title 46, sec. 599), are amended to read as follows:

"(b) That it shall be lawful for any seaman to stipulate in his shipping agreement for an allotment of any portion of the wages he may earn to his grandparents, parents, wife, sister, or children, or for deposits to be made in an account opened by him and maintained in his name at a savings bank or a United States postal-savings depository subject to the governing regulations thereof.

"(c) That no allotment shall be valid unless in writing and signed by and approved by the shipping commissioner. It shall be the duty of the said commissioner to examine such allotments and the parties to them and enforce compliance with the law. All stipulations for the allotment of any part of the wages of a seaman during his absence which are made at the commencement of the voyage shall be inserted in the agreement and shall state the amounts and times of the payments to be made and the persons to whom the payments are to be made, or by directing the payments to be made to a saving bank or a United States postal-savings depository in an account maintained in his name.

"(d) No allotment except as provided in this section shall be legal. Any person who shall falsely claim to be such relation, as above described, or to be a savings bank or a United States postal-savings depository and as such an allottee of the seaman under this section shall for every such offense be punished by a fine not exceeding $500 or imprisonment not exceeding 6 months, at the discretion of the court."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENEWAL OF VESSEL LICENSES

The Clerk called the bill (H. R. 1784) to amend section 4498 of the Revised Statutes of the United States, as amended, relative to the renewal of licenses of vessels.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4498 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 496), is hereby amended to read as follows:

"A register, enrollment, or license shall not be granted, or other papers be issued by any collector or other chief officer of customs to any vessel subject by law to inspection under this title (R. S. 4399–4500) until all the provisions of this title applicable to such vessel have been fully complied with and until the copy of the certificate of inspection required by this title for such vessel has been filed with said collector or other chief officer of customs: *Provided*, That the license granted to any vessel, if presented to any collector of customs at any time within 30 calendar days prior to the date of expiration shown thereon, may be renewed by endorsement by the collector of customs for a period of 1 year from the date of expiration shown on the license, if there be on file in the office of the collector at that time a copy of the certificate of inspection required by title LII of the Revised Statutes, which is in force on the date renewal is made."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LICENSES OF VESSELS

The Clerk called the bill (H. R. 1786) to amend section 4325 of the Revised Statutes of the United States, as amended, relative to renewal of licenses of vessels.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4325 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 267), is hereby amended to read as follows:

"The license granted to any vessel shall be presented for renewal by endorsement to the collector of customs of the district in which the vessel then may be within 3 days after the expiration of time for which it was granted, or, if she be absent at that time, within 3 days from her first arrival within a district. In

case of change of build, ownership, district, trade, or arrival under temporary papers in the district where she belongs the license shall be surrendered. If the master shall fail to deliver the license he shall be liable to a penalty of $10. Such penalty on application may be mitigated or remitted by the Secretary of Commerce."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF $15 EACH, RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the bill (H. R. 3248) authorizing a per capita payment of $15 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ONE HUNDRED AND FIFTIETH ANNIVERSARY, LIGHTHOUSE SERVICE

The Clerk called House Joint Resolution 241, providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the week commencing August 7, 1939, is hereby designated as Lighthouse Week in commemoration of the one hundred and fiftieth anniversary of the enactment by the First Congress of the United States of the ninth act of said Congress, which was approved by President George Washington on August 7, 1789, and laid the foundation of the United States Lighthouse Service by providing that all expenses in the necessary support, maintenance, and repairs of all lighthouses, beacons, buoys, and public piers to render navigation safe and easy should be paid for by the Treasury of the United States. During said week all Government officials are hereby directed to display the flag of the United States on all Government buildings, and are requested in appropriate manner to celebrate the enactment and approval of said act.

SEC. 2. That the President of the United States is hereby requested, by appropriate proclamation, to call attention of all citizens of the United States to said event and to request the cooperation of all citizens, communities, civic organizations, States, municipalities, counties, public agencies, churches, and schools in an appropriate recognition of the devoted, efficient, faithful, and splendid work of the Lighthouse Service for 150 years in the safeguarding of life and property upon the sea.

SEC. 3. That the heads of all departments and independent establishments of the Government are requested to take such steps respectively as each of said heads may deem most appropriate to celebrate said event, to commemorate the work of the Lighthouse Service, to acquaint the public generally with the responsible, devoted, and hazardous work of the said Service, and to express the thanks and gratitude of the Nation to all employees of said Service for the fearless manner in which their work has been performed continuously from the date of the creation of said Service to the present time.

With the following committee amendment:

At the end of the joint resolution add a new section, as follows:

"SEC. 4. That the Commissioner of Lighthouses is hereby authorized to expend, out of any moneys appropriated or allotted for the Bureau of Lighthouses, not exceeding $2,500 for any expenses conected with ceremonies for the celebration authorized and requested by this act, including the printing and issuance of appropriate literature, pamphlets, and programs."

The amendment was agreed to; and the joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROMOTION OF NAUTICAL EDUCATION

The Clerk called the bill (H. R. 5375) to promote nautical education, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commandant of the Coast Guard is authorized, in his discretion, when so requested by proper authority, to detail persons in the Coast Guard for duty in connection with maritime instruction and training by the several States and, when requested by the United States Maritime Commission, to detail persons in the Coast Guard for duty in connection with maritime instruction and training by the United States: *Provided*, That the service rendered by any person so detailed shall be considered Coast Guard duty.

Mr. BLAND. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 1, line 6, after the word "States", insert the words "and Territories."

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. WOLCOTT. I wonder if the gentleman might not use the language which is usually used in this connection, to name the Territories and also include the District of Columbia?

Mr. BLAND. I have no particular objection to that. This question was raised by the Delegate from Hawaii and the Delegate from Alaska, who said that under the law the general term "States" would not include "and Territories," and they asked to have that included.

Mr. WOLCOTT. I know the purpose of the gentleman's amendment. I wonder if the gentleman would accept an amendment to include the District of Columbia as well?

Mr. BLAND. Yes. I have no objection.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the amendment as offered by the gentleman from Virginia [Mr. BLAND] be amended to include the words "the District of Columbia."

The SPEAKER pro tempore. The Clerk will report the amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT to the amendment offered by Mr. BLAND: After the word "Territories" in the amendment offered by Mr. BLAND insert "and the District of Columbia."

Mr. IGLESIAS. Mr. Speaker, I would like to ask the chairman of the committee if he will include Puerto Rico?

Mr. BLAND. I would rather not make it apply to the insular possessions. That can be done later. It is purely to permit these men to go to these nautical schools if they should have any. I would suggest that the Commissioner from Puerto Rico take that up with the Members in the Senate. I do not know just what the effect would be.

Mr. IGLESIAS. Mr. Speaker, I request the House to amend the amendment to include Puerto Rico.

Mr. BLAND. Mr. Speaker, before the word "Territories" there was the word "and." I would modify my amendment, as follows:

After the word "States", strike out the word "and" where it appears first and insert a comma and "the District of Columbia and Puerto Rico."

The SPEAKER pro tempore. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. BLAND, as modified: On page 1, line 6, after the word "States", strike out the word "and", insert a comma and the words "Territories, the District of Columbia, and Puerto Rico."

The SPEAKER pro tempore. Without objection, the amendment, as modified, will be agreed to.

There was no objection, and the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMIGRATION OF FILIPINOS FROM UNITED STATES

Mr. WELCH. Mr. Speaker, I ask unanimous consent to return to No. 91 on the calendar, H. R. 4646. The gentleman from Wisconsin [Mr. SCHAFER] objected previously, and upon reading the bill more thoroughly the gentleman informs me he will withdraw his objection.

The SPEAKER pro tempore. It has been the uniform policy of the Speaker not to recognize a Member for that purpose until after the calendar has been completed. If the present occupant of the chair is here at that time, he will be glad to recognize the gentleman from California later on.

The Clerk will report the next bill.

CHANGE OF MASTERS OF VESSELS

The Clerk called the next bill, H. R. 1782, to amend section 4335 of the Revised Statutes of the United States, relative to change of masters of vessels.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4335 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 276) is hereby amended to read as follows:

"Whenever the master of any licensed vessel, ferryboats excepted, is changed, the new master, or, in case of his absence, the owner or one of the owners thereof, shall report such change to the collector residing at the port where the same happens, if there be one; otherwise, to the collector residing at any port where such vessel next arrives, who, upon the oath of such new master, or, in case of his absence, of the owner, that such master is a citizen of the United States, and that such vessel shall not, while such license continues in force, be employed in any manner whereby the revenue of the United States may be defrauded, shall endorse such change on the license, with the name of the new master. Whenever such change is not reported, and endorsed, as herein required, such vessel, if found carrying on the coasting trade or fisheries, shall be subject to pay the same fees and tonnage as a vessel of the United States having a register, and the new master shall be liable to a penalty of $10: *Provided*, That the Secretary of Commerce may authorize the endorsement of not more than two alternate masters in addition to the one already endorsed on the license, whenever in his judgment the condition of employment of the vessel warrants such action: *Provided further*, That in the case of vessels navigated within the limits of the harbor of any town or city, except such vessels which are subject to the provisions of section 4417 (a) of the Revised Statutes (U. S. C., 1934 ed., Supp. 3, title 46, sec. 391 (a)), the owner or some responsible person acting for the owner who otherwise meets all requirements of the laws of the United States with regard to masters, may be endorsed on the license of such vessel, although not actually employed thereon, in accordance with rules and regulations prescribed by the Secretary of Commerce: *And provided further*, That in the case of unrigged vessels which are not required by law to have on board a certificate of inspection, the owner or any responsible person acting for the owner who otherwise meets all requirements of the laws of the United States with regard to masters, may be endorsed on the license of such unrigged vessel although not actually employed on board the vessel.

"SEC. 2. In the case of those vessels on the licenses of which there are endorsed the names of more than one master, the master actually in charge of the vessel shall assume all of the duties and responsibilities imposed by any statute upon masters of vessels, and incur the liabilities provided by any law against masters of vessels during any period in which he is in charge of the vessel.

"SEC. 3. The term 'unrigged vessel' as used herein means any vessel that is not self-propelled."

With the following committee amendments:

On page 1, line 6, before the word "whenever", insert "(a)."

On page 2, line 18, after the word "city", strike out the balance of line 18, all of lines 19 and 20, and insert the words "the name of."

On page 3, line 3, after the word "inspection", insert "the name of."

On page 3, line 9, strike out "sec. 2" and insert "(b)."

On page 3, line 16, strike out "sec. 3" and insert "(c)."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER RELIEF TO WATER USERS ON UNITED STATES AND INDIAN RECLAMATION PROJECTS

The Clerk called the next bill, H. R. 5076, to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to determine as to each United States and Indian reclamation project whether any of the water users' organizations or water users, as the case may be, owing construction charges to the United States on each such project are unable, due to partial crop failure attributable to a water shortage or due to other causes beyond the control of the water users, to pay without great hardship or undue burden the full amount of the construction charges due and payable for the calendar year 1938 and of any unpaid construction charges required to be paid as a condition precedent to delivery of water in 1939. Said Secretary shall base his determinations on such data furnished by water users' organizations and water users and on such investigations and reports by the Bureau of Reclamation and the Office of Indian Affairs as he deems necessary. As to any such water users' organization or water user who according to the said Secretary's determination is unable to pay in full the construction charges due and payable for the calendar year 1938 and any unpaid construction charges required to be paid as a condition precedent to delivery of water in 1939, said Secretary is hereby authorized to grant an extension of time for the payment of such proportion of said charges as in his judgment in each case is just and equitable: *Provided*, That said Secretary may make any extension granted pursuant to the authority of this act subject to such conditions as in his judgment are desirable in the interest of the United States. The charges so extended shall be paid at such time or times as the said Secretary may determine.

SEC. 2. As used in this act the term "United States reclamation project" shall mean any irrigation project constructed by the United States, or in connection with which there has been executed a repayment contract with the United States, pursuant to the Reclamation Act of June 17, 1902 (32 Stat. 388), or any act amendatory thereof or supplementary thereto; the term "Indian reclamation project" shall mean any irrigation project constructed by the United States under the direction of the Office of Indian Affairs, or in connection with which there has been executed a repayment contract with the United States, pursuant to acts of Congress relating to Indian reclamation projects; and the term "construction charges" shall mean the installments on the principal obligations due each year to the United States under water-right applications, repayment contracts, orders of the Secretary of the Interior, or other forms of obligations entered into pursuant to said Federal reclamation laws, or acts of Congress relating to Indian reclamation projects.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 8 (F) OF THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the next business, House Joint Resolution 258, to amend section 8 (f) of the Soil Conservation and Domestic Allotment Act, as amended.

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That section 8 (f) of the Soil Conservation and Domestic Allotment Act, as amended, is amended to read as follows:

"(f) Any change in the relationship between the landlord and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants of other aid under subsection (b) that would otherwise be made to any landlord shall not operate to increase such payment or grant to such landlord. Any reduction in the number of tenants below the average number of tenants on any farm during the preceding 3 years that would increase the payments or grants of other aid under such subsection that would otherwise be made to the landlord shall not hereafter operate to increase any such payment or grant to such landlord. Such limitations shall not apply if on investigation the local committee finds that the change is justified and approves such change in relationship or reduction."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COOPERATIVE AGRICULTURAL EXTENSION WORK

The Clerk called the next bill, S. 518, to provide for the further development of cooperative agricultural extension work.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. DOXEY. Would the gentleman mind stating the reason?

Mr. WOLCOTT. I may say I have had several objections to the bill and those who have objected to it have asked me to do this. They do not happen to be on the floor at the present time. I am merely doing it for them. I hope the gentleman will not object to it.

Mr. DOXEY. If there are objections, we would like to know what they are.

Mr. WOLCOTT. I may say to the gentleman from Mississippi that so far as I personally am concerned, I have no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INTEREST ON FARM BOARD LOANS

The Clerk called the next bill, H. R. 2179, to ratify and confirm certain interest rates on loans made from the revolving fund authorized by section 6 of the Agricultural Marketing Act, approved June 15, 1929 (46 Stat. 11), and for other purposes.

Mr. PACE. Mr. Speaker, reserving the right to object, will the gentleman from Mississippi give us an explanation of this bill?

Mr. DOXEY. Mr. Speaker, explaining this bill briefly, I may say that it is more or less a matter of bookkeeping.

The Agricultural Marketing Act approved June 15, 1929, provided for loans to be made by the old Federal Farm Board to various corporations, cooperatives, and the Stabilization Corporation. The Treasury Department and the Federal Farm Bureau interpreted that law as providing a maximum rate of interest of 4 percent. It did not provide a minimum rate of interest; yet the bill did make an exception in the case of what were then known as postal savings bonds. Thereupon the Federal Farm Board and the Treasury Department lent money to these various cooperatives and the Stabilization Corporation, some at as low a rate of interest as 1⅜ percent and some lower than 2½ percent. The Comptroller General, under a Supreme Court decision in the case of Baltimore Mail Steamship Co. against the United States, held that, even though the contract stipulated a rate of interest lower than 2½ percent, the Farm Board did not have authority under this law to lend money at a rate less than 2½ percent, that being the rate of interest stipulated on postal savings bonds.

The practical situation is that the Stabilization Corporation has gone out of business. Those cooperatives that were able to pay have paid interest and principal as stipulated in the contract. The Comptroller General, however, is holding the present Farm Credit Administration, which took over the activities of the old Farm Board, responsible for the higher rate of interest; and unless Congress does something to relieve this situation, suits will be instituted, which, in the judgment of most of the members of the committee, would be a vain and futile thing, for they could not collect any rate of interest other than that stipulated in the contract.

Under the opinion of June 1, 1934, of the Comptroller General, however, there is a charge against the present set-up of the Farm Credit Administration even though the Stabilization Board has gone out of business. A number of these cooperatives still owe under their contracts, and the committee felt that the right thing to do would be to enact this legislation for the very purpose that it states, to ratify and confirm certain interest rates on these loans made under the Agricultural Marketing Act approved June 15, 1929.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. I am glad to yield to the gentleman from Kansas. He is a member of the subcommittee and the full committee and is thoroughly familiar with all these transactions and has given special study to this bill.

Mr. HOPE. Is not this the practical situation, that if we pass this bill we will confirm what the Federal Farm Board did in making loans to a large number of cooperatives at rates of interest which the Treasury Department and the Federal Farm Board understood at that time to be proper rates of interest to charge under the bill, and loans that were made in good faith by the cooperatives, and loans which no one questioned until 1934, 5 years after some of them were made, when the Comptroller General raised the question of whether a proper interpretation had been made of the law?

I ask the gentleman from Mississippi further: If we do not pass this bill, will not the Federal Government be in the position where it will have to bring suit against a large number of cooperative organizations which in good faith have made loans at a rate of interest which everyone understood was perfectly legal at the time?

Mr. DOXEY. The gentleman from Kansas is correct. That is the status. Is any further information desired?

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. I yield gladly.

Mr. MICHENER. As I understand it, these loans were made in good faith and accepted in good faith, and in the belief that they would be at the lower rate of interest. I have in my State a cooperative that accepted the benefits under the law as it was interpreted by the agency of the Government making the loan. If this cooperative today were to be compelled to pay a rate of interest higher than that which they contracted to pay it might mean bankruptcy. It seems to me the bill is most commendable and that there should be no objection if the Congress is to keep faith with these cooperatives. This bill means just simple justice, and the Committee on Agriculture is to be commended for reporting this bill favorably. I hope there will be no objection.

Mr. DOXEY. The gentleman is correct. The question arises over a difference of interpretation of the law as between the Secretary of the Treasury and the Farm Board, on one hand, and the Comptroller General, on the other.

Mr. HOPE. Mr. Speaker, will the gentleman yield further?

Mr. DOXEY. Certainly.

Mr. HOPE. The gentleman was a Member of the House when we passed the Federal Farm Board Act, I believe.

Mr. DOXEY. Yes; I was.

Mr. HOPE. And he has been a Member during the intervening time. I ask the gentleman from Mississippi if it is not his best judgment that if we pass this bill we will be doing exactly what Congress intended to do when it passed the Federal Farm Board Act, as far as rates of interest were concerned?

Mr. DOXEY. I certainly think so. Certainly I do not think we intended that the Farm Board should limit the rate of interest to the rate carried by the bonds, which was the basis of the opinion of the Comptroller General.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That interest rates in excess of the rates set forth in notes or other obligations taken by the Federal Farm Board or the Farm Credit Administration for loans made from the revolving fund authorized by section 6 of the Agricultural Marketing Act, approved June 15, 1929 (46 Stat. 11), shall not be charged or collected on any of said loans, whether such loans have been heretofore or are hereafter paid in whole or in part, except that in those cases where a borrower by specific contract has agreed to pay a higher rate of interest, the contract rate shall be charged for the period agreed upon; and the amount of any interest collected in excess of the rates thus set forth or contracted for shall be refunded out of said fund or credited on the borrower's indebtedness.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF SUFFERERS FROM EARTHQUAKE IN CHILI

The Clerk called the next bill, H. R. 5031, a bill for the relief of the sufferers from the earthquake in Chile.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

FOREST PROTECTION FROM WHITE-PINE BLISTER RUST

The Clerk called the next bill, H. R. 3406, a bill for forest protection against the white-pine blister rust, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That to promote the stability of white-pine forest-using industries, employment, and communities through the continuous supply of white- and sugar-pine timber, the Secretary of Agriculture is authorized in cooperation with such agencies as he may deem necessary to use such funds as have been, or may hereafter be, made available for the purpose of controlling white-pine blister rust, by preventing the spread to, and eliminating white-pine blister rust from, all forest lands, irrespective of the ownership thereof, when in the judgment of the Secretary of Agriculture the use of such funds on such lands is necessary in the control of the white-pine blister rust: *Provided*, That in the discretion of the Secretary of Agriculture no expenditures from funds provided under this authorization shall be made on private or State lands (except where such lands are intermingled with those which are federally owned and it is necessary in order to protect the property of the United States to work on those parts of the private or State-owned lands that immediately adjoin Federal lands) until a sum, or sums, at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities or by individuals or organizations concerned: *Provided further*, That no part of such appropriations shall be used to pay the cost or value of property injured or destroyed: *And provided further*, That any plan for the control and elimination of white-pine blister rust on lands owned by the United States or retained under restriction by the United States for Indian tribes and for individual Indians shall be subject to the approval of the Federal agency or Indian tribe having jurisdiction over such lands, and the Secretary of Agriculture may, in his discretion and out of any moneys made available under this act, make allocations to said Federal agencies in such amounts as he may deem necessary for white-pine blister-rust control and

elimination on lands so held or owned by the United States, the moneys so allocated to be expended by said agencies for the purposes specified.

SEC. 2. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SICK AND ANNUAL LEAVE FOR SUBSTITUTE POSTAL EMPLOYEES

The Clerk called the next bill, H. R. 5479, granting annual and sick leave with pay to substitutes in the Postal Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter substitutes in the Postal Service shall be rated as employees and each substitute postal employee in the classified civil service shall be granted the same rights and benefits with respect to annual and sick leave that accrue to regular employee in proportion to the time actually employed. Sick leave shall be computed on the basis of illness or disability incurred during the period of actual employment in the Postal Service.

SEC. 2. The Postmaster General is authorized and directed to prescribe such rules and regulations as may be necessary or appropriate to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DETENTION OF CERTAIN ALIENS PENDING PASSPORTS

The Clerk called the next bill, H. R. 5643, to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mrs. O'DAY and Mr. MASSINGALE objected.

SACRAMENTO GOLDEN EMPIRE CENTENNIAL

The Clerk called the next business, House Joint Resolution 221, authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the President of the United States is authorized to invite by proclamation, or in such manner as he may deem proper, foreign nations to participate in the Sacramento Golden Empire Centennial to be held at Sacramento, Calif., from May 1, 1939, to September 10, 1939, inclusive, for the purpose of properly commemorating and observing the one hundredth anniversary of the arrival in California, at the confluence of the American and Sacramento Rivers, of John Augustus Sutter, a Swiss adventurer, and the founding by him, through the establishment of Sutter's Fort, of what is today California's capital city of Sacramento, which establishment and the subsequent development of the region adjacent resulted in the discovery of gold at Coloma, Calif.

SEC. 2. The Government of the United States is not by this resolution obligated to any expense in connection with the holding of such exposition.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING FURTHER TIME FOR NATURALIZATION TO ALIEN VETERANS OF THE WORLD WAR

Mr. CELLER. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (H. R. 805) to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes, No. 65 on the Consent Calendar, which was objected to originally by the gentleman from Tennessee [Mr. GORE].

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

Mr. GORE. Mr. Speaker, reserving the right to object, for the benefit of the gentleman from New York, the basis upon which I objected to the bill was that I could see no reason why any special concessions should be made to men who served in the Russian Army or other foreign armies. If the gentleman will agree to an amendment which I have prepared, making this apply only to those who served in the American forces, I shall not object.

Mr. CELLER. I agree.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (a) of section 1 of the act entitled "An act to further amend the naturalization laws, and for other purposes," approved May 25, 1932 (47 Stat. 165; U. S. C., Supp. VII, title 8, sec. 392b (a)), shall, as herein amended, continue in force and effect to include petitions for citizenship filed prior to May 25, 1940, with any court having naturalization jurisdiction: *Provided*, That for the purposes of this act clause (1) of subdivision (a) of section 1 of the aforesaid act of May 25, 1932, is amended by striking out the words "all such period" and in lieu thereof inserting the words "the 5 years immediately preceding the filing of his petition;".

SEC. 2. The provisions of section 1 of this act are hereby extended to include any alien lawfully admitted into the United States for permanent residence who departed therefrom between August 1914 and April 5, 1917, or who departed therefrom subsequent to April 5, 1917, for the purpose of serving, and actually served prior to November 11, 1918, in the military or naval forces of any of the countries allied with the United States in the World War and was discharged from such service under honorable circumstances: *Provided*, That before any applicant for citizenship under this section is admitted to citizenship the court shall be satisfied by competent proof that he is entitled to and has complied in all respects with the provisions of this act; and that he was and had been a bona fide lawfully admitted resident in the United States for 2 years before the passage of this act.

SEC. 3. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe such rules and regulations as may be necessary for the enforcement of this act.

Mr. GORE. Mr. Speaker, I offer an amendment which I send to the Clerks' desk.

The Clerk read as follows:

Amendment offered by Mr. GORE: On page 2, line 9, after the word "therefrom", strike out "between August 1914 and April 5, 1917, or who departed therefrom subsequent to April 5, 1917."

Page 2, line 12, after the word "of", strike out "any of the countries allied with."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING MEANS BY WHICH CERTAIN FILIPINOS CAN EMIGRATE FROM THE UNITED STATES

Mr. WELCH. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (H. R. 4646) to provide means by which certain Filipinos can emigrate from the United States, No. 91 on the Consent Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. WELCH]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any native Filipino residing in any State or the District of Columbia on the effective date of this act, who desires to return to the Philippine Islands, may apply to the Secretary of Labor, upon such form as the Secretary may prescribe, through any officer of the Immigration Service for the benefits of this act. Upon approval of such application, the Secretary of Labor shall notify such Filipino forthwith, and shall certify to the Secretary of the Navy and the Secretary of War that such Filipino is eligible to be returned to the Philippine Islands under the terms of this act. Every Filipino who is so certified shall be entitled, at the expense of the United States, to transportation and maintenance from his present residence to a port on the west coast of the United States, and from such port, to passage and maintenance to the port of Manila, P. I., on either Navy or Army transports, whenever space on such transports is available, or on any ship of United States registry operated by a commercial steamship company which has a contract with the Secretary of Labor as provided in section 2.

SEC. 2. The Secretary of Labor is hereby authorized and directed to enter into contracts with any railroad or other transportation

company, for the transportation from their present residences to a port on the west coast of the United States of Filipinos eligible under section 1 to receive such transportation, and with any commercial steamship company, controlled by citizens of the United States and operating ships under United States registry, for transportation and maintenance of such Filipinos from such ports to the port of Manila, P. I., at such rates as may be agreed upon between the Secretary and such steamship, railroad, or other transportation company.

SEC. 3. The Secretary of Labor is authorized and directed to prescribe such rules and regulations as may be necessary to carry out this act, to enter into the necessary arrangements with the Secretary of War and the Secretary of the Navy, to fix the ports on the west coast of the United States from which any Filipinos shall be transported and the dates upon which transportation shall be available from such ports, to provide for the identification of the Filipinos entitled to the benefits of this act, and to prevent voluntary interruption of the journey between any port on the west coast of the United States and the port of Manila, P. I.

SEC. 4. No Filipino who receives the benefits of this act shall be entitled to return to the continental United States except as a quota immigrant under the provisions of section 8 (a) (1) of the Philippine Independence Act of March 24, 1934, during the period such section 8 (a) (1) is applicable.

SEC. 5. There is hereby authorized to be appropriated from moneys in the Treasury not otherwise appropriated, amounts necessary to carry out the provisions of this act. All amounts so appropriated shall be administered by the Secretary of Labor, and all expenses, including those incurred by the Navy and War Departments, shall be charged thereto.

SEC. 6. No application for the benefits of this act shall be accepted by any officer of the Immigration Service after December 1, 1940; and all benefits under this act shall finally terminate on December 31, 1940, unless the journey has been started on or before that date, in which case the journey to Manila shall be completed.

SEC. 7. Nothing in this act shall be construed as authority to deport any native of the Philippine Islands, and no Filipino removed from continental United States under the provisions of this act shall hereafter be held to have been deported from the United States.

Mr. KING. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KING: Page 1, line 3, after the word "State", insert "or Territory."

Page 3, line 10, after the word "the", strike out "continental" and insert after the word "States" the words "its Territories or possessions."

Page 4, line 3, after the word "from", strike out "continental" and insert the word "the", and after the word "States", insert the words "its Territories or possessions."

Mr. PACE. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, will the gentleman explain what this bill has cost the Government under a similar act which is now in force?

Mr. WELCH. This bill is for the reenactment of a law that was in effect for 4 years, up to January 1, 1938.

Mr. PACE. How much has the Government spent?

Mr. WELCH. The Government has spent approximately $186,000. I may say to the gentleman that the money has been well spent. We send these Filipinos back to their island homes and they are not permitted to return. Many of them are on relief, and it is an expense to keep them here.

Mr. PACE. That is one point I had in mind. They can return under the quota system, can they not?

Mr. WELCH. A total of 50, under the Philippine Independence Act, are permitted to return, but they cannot come back for the purpose of seeking employment in this country.

Mr. PACE. What is the effect of the amendment that has just been offered?

Mr. WELCH. The gentleman from Hawaii [Mr. KING] will explain the amendment.

Mr. KING. If I may answer the gentleman's inquiry, the effect of my amendment would be to extend to Hawaii the provisions of this bill with regard to repatriation and also with respect to preventing such persons from returning. In other words, Hawaii wants exactly the same benefit from this bill as the continental United States receives.

Mr. PACE. As I understand, except for the act previously in effect, we are adopting a new practice of paying the expenses of any undesirable person whom we wish to get rid of from where he lives to the port, and then we pay all his expenses from the port to his home. He becomes a charge of the United States from the time he files application to go home until he gets there. The gentleman from Hawaii proposes to extend this privilege to Filipinos in the Hawaiian Islands and other Territories.

Mr. WELCH. The law that has been in force and effect for 4 years permits the repatriation of Filipinos in the continental United States to the Philippine Islands. Upon their arrival there they cease to be a charge against this Government and they cannot return. The amendment offered by the gentleman from Hawaii would seek to have that privilege extended to the Hawaiian Islands and our other Territories under the same terms and conditions as provided in the repatriation acts heretofore passed.

The SPEAKER. The question is on agreeeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may be permitted to sit during the sessions of the House for the remainder of the week.

Mr. MAPES. Mr. Speaker, reserving the right to object, have the minority members of the committee been consulted as to this request?

Mr. BLOOM. They have; and they consented to it.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to return to No. 103 on the Consent Calendar, the bill (S. 518) to provide for the further development of cooperative agricultural extension work, which was passed over without prejudice at the request of the gentleman from Michigan. I have consulted with the gentleman from Michigan and with the gentleman who had consulted with him asking that the bill be passed over, and they have no objection to its being considered at this time.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to further develop the cooperative extension system as inaugurated under the act entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture," approved May 8, 1914 (U. S. C., title 7, secs. 341–348), there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the expenses of cooperative extension work in agriculture and home economics and the necessary printing and distribution of information in connection with the same, the sum of $500,000 annually. The sums appropriated pursuant to this act shall be allotted by the Secretary of Agriculture to the several States in such amounts as he may deem necessary, and shall be paid to the several States in the same manner and subject to the same conditions and limitations as the initial payments of $10,000 to each State appropriated under the act of May 8, 1914. The sums appropriated pursuant to this act shall be in addition to and not in substitution for sums appropriated under such act of May 8, 1914, as amended and supplemented, and sums otherwise appropriated for agricultural extension work.

With the following committee amendment:

Page 2, line 5, strike out "$500,000" and insert "$300,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HOLMES and Mr. MAAS asked and were given permission to extend their own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. THOMAS F. FORD. Mr. Speaker, last Saturday, April 15, the President forwarded to the dictator governments of Germany and Italy a statement that was at once a friendly invitation and a challenge—a friendly invitation to abandon the road to war which they are pursuing and seek through peaceful means a solution of the problems that are troubling them, as well as a distracted world; a ringing challenge to choose between international anarchy and international comity.

It occurs to me that if the two great nations to whom this document was addressed could be induced to pause for a moment in their wild careers and give due thought to the dire consequences of their actions they might be brought to a realization of the fact that a decent respect for the opinions of mankind might be preferable to the course now being pursued—a course which must inevitably lead to chaos, destruction, and very probably to the blotting out of all that the civilization of centuries has developed in the way of human progress.

For these reasons I rise at this solemn and critical juncture in the history of mankind and appeal to my colleagues on both sides of this House to refrain, if only for the moment, from adverse criticism of the course taken by the Chief Executive, who is, I am convinced, actuated by the highest motives of Christian morality and true patriotism. His desire, like our desire, is for peace. Being, as we are, representatives of a peace-loving people, let us discard politics here and now and unite behind our President in the great Christian cause of peace, a cause so nobly and courageously advocated centuries ago by the greatest peace advocate of all time, the gentle Nazarene, of whom we are, if we are true to our profession of Christianity, the humble but undeviating followers. [Applause.]

ELECTION TO COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution.

The Clerk read the resolution, as follows:

Resolved, That ANTHONY J. DIMOND, of Alaska, be, and he is hereby, elected a member of the standing committees of the House of Representatives on Naval Affairs and on Military Affairs.

The resolution was agreed to.

AMENDMENT OF THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

Mr. JONES of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, with an amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last paragraph of section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, is amended to read as follows:

"The total payment that would otherwise be made to any person for any year pursuant to this section shall be reduced by 25 percent of the amount thereof in excess of $1,000. No total payment to any person for any year shall exceed $5,000, but in applying these limitations there shall be excluded amounts representing a landlord's share of a payment made with respect to land operated under a tenancy or sharecropper relationship if the division of the payment between the landlord and the tenant or sharecropper is determined by the local committee to be in accordance with fair and customary standards of renting or sharecropping prevailing in the locality; and there shall also be excluded amounts representing payments to a bona fide cooperative corporation or association, whose members have substantially equal interest therein, and having at least 50 participating members or stockholders, if 75 percent or more of the persons actually engaged in its farming operations are participating members or stockholders of such corporation or association or are children or members of the family of such members or stockholders. In the case of payments to any person on account of performance on farms in different States, Territories, or possessions, the 25-percent reduction and the $5,000 limitation shall be applied to the total of the payments for each State, Territory, or possession for a year, and not to the total of all payments."

The SPEAKER. Is a second demanded?

Mr. HOPE. Mr. Speaker, I demand a second.

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The gentleman from Michigan makes the point of order that a quorum is not present. The Chair will count. [After counting.] One hundred and forty-one Members are present, not a quorum.

Mr. JONES of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 50]

Anderson, Calif.	Elliott	Kee	Osmers
Andrews	Ellis	Keefe	O'Toole
Barton	Engel	Keller	Owen
Bates, Mass.	Evans	Kennedy, Martin	Peterson, Ga.
Blackney	Fay	Kennedy, Michael	Richards
Bolles	Ford, Leland M.	Kerr	Robertson
Bradley, Mich.	Ford, Thomas F.	Kleberg	Rockefeller
Brewster	Gamble	Lesinski	Romjue
Brooks	Gehrmann	McDowell	Sacks
Buckler, Minn.	Geyer, Calif.	McLeod	Satterfield
Buckley, N. Y.	Gifford	McReynolds	Shannon
Burdick	Gross	Maciejewski	Stearns, N. H.
Cannon, Mo.	Hare	Mansfield	Sullivan
Carter	Harter, N. Y.	Marcantonio	Thomas, N. J.
Casey, Mass.	Harter, Ohio.	Mason	Tibbott
Cluett	Hartley	Mills, Ark.	Tinkham
Curley	Hennings	Mitchell	Wadsworth
Dickstein	Hoffman	Monkiewicz	White, Ohio
Dingell	Horton	Monroney	Wolfenden
Drewry	Jarrett	Myers	Wood
Duncan	Jeffries	Nelson	Woodruff, Mich.
Durham	Jenks, N. H.	O'Leary	Zimmerman
Edmiston	Johnson, W. Va.	Oliver	

The SPEAKER. On this roll call 339 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include in them an address delivered by the Attorney General of the United States at Philadelphia on the occasion of the birthday of Thomas Jefferson.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AMENDMENT OF THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The SPEAKER. For the information of the House, the Clerk will report the title of the pending bill.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Texas [Mr. JONES] is recognized for 20 minutes, and the gentleman from Kansas [Mr. HOPE] will be recognized for 20 minutes.

Mr. JONES of Texas. Mr. Speaker, the primary purpose of this bill is to place a limitation on the amount that any one person or any one concern may draw in connection with the soil-conservation payments. Until this year there was no limitation. Effective this year there would be a flat $10,000 limitation. This bill would place a flat limitation of $5,000 on the amount that any one person could draw in connection with a farm that he was operating himself.

It would reduce by 25 percent the payments which he may draw over $1,000. If a total payment would otherwise be $2,000, this bill would reduce the second $1,000 by 25 percent, or, in other words, make a reduction of $250 so that the total would be $1,750. It provides, however, that if the owner operates through tenants or sharecroppers and the payment is divided between the landowner and the tenant in the same proportion that the crop is customarily divided in the community affected, then that part of the landowner's portion shall be exempted from the limitation.

This latter provision is really for the protection of the tenant in the planting of cotton where the tenant furnishes all the equipment. The division is usually one-fourth and three-fourths; that is, the tenant would get three-fourths of the payment and the landowner one-fourth. Where the

landowner furnishes everything the division is usually on a half-and-half basis. In the wheat areas the division is usually one-third and two-thirds.

I think it is proper to exempt the landowner when he uses the tenant or sharecropper system, because, whether we believe in that system or not, the primary effect of a flat limitation is to cause the landowner to drive the tenants off the land. So this amendment, if adopted, will serve the double purpose of placing a limitation on the man who undertakes to farm all of his land through hired labor and without the use of tenants and sharecroppers, or who drives those tenants and sharecroppers off his land, and also of protecting the tenant in the share of the payment that goes for the part of the work he does in connection with the production of a crop. It is proper in that particular case for the landowner to have some division. Some people do not think that exemption should be made. I think it should, because if the landowner pays the taxes, sometimes pays the interest on the mortgage on his crops, and takes care of his other expenses, and continues to give employment to these people, I think this would probably be a proper division. If this is not adopted, of course, the limitation remains as it is at the present time.

This particular bill in its substantial effect is the same as the provision which was passed by the House last year. When the bill went over to the Senate they had no such limitation of any kind and we were unable to get them to accept this particular limitation at that time, although some of them who opposed it before, after they have come to understand it, now believe it is a proper limitation.

Mr. Speaker, I reserve the balance of my time.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. For a question; yes.

Mr. AUGUST H. ANDRESEN. The gentleman referred to soil-conservation payments. Does not this also apply to parity payments?

Mr. JONES of Texas. This does not apply to parity payments.

Mr. AUGUST H. ANDRESEN. What would be the situation, then, with reference to parity payments as far as a landlord is concerned in a case where the landlord has many farms, and they are rented out to various tenants? Does the tenant only get the parity payments?

Mr. JONES of Texas. The tenant would get the parity payment on his part of the crops in that connection, under the terms of the general act, but there would be no limitation on the amount where the man did not have tenants unless a limitation was placed on the parity payments.

Mr. AUGUST H. ANDRESEN. As I understand it with reference to parity payments, when the landlord rents his farm to a tenant the landlord will receive his proportionate share of both the soil-conservation payments and the parity payments as a part of his division of the payments made by the Government.

Mr. JONES of Texas. That is correct; but if they do not adopt something of this character, then there will be no limitation at all on soil payments except the $10,000 limitation on the amount that the landowner can draw where he does not operate through tenants at all.

Mr. AUGUST H. ANDRESEN. Then it will apply to both the soil-conservation and the parity payments?

Mr. JONES of Texas. This particular amendment will not. However, the parity payments are divided if tenants are used. The difficulty with the parity payments is that where a man operates without tenants the parity payments are not divided.

Mr. PACE. Is not the parity payment determined on whether or not the land is rented for cash rental or crop rental?

Mr. JONES of Texas. Yes; the division follows the contract or the custom in the community. Mr. Speaker, I reserve the remainder of my time.

Mr. HOPE. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, this bill is in the interest of the small man, the tenant, the sharecropper. Those who are opposed to large payments to land barons—as most of us are—should support this bill, because it cuts down the payments in most cases on the part of the big landowner. In other words, those who are of that thought should support the bill and not assist in limiting the right of the smaller and poorer—economically—class of farmers. The bill is for the purpose of permitting tenants and sharecroppers to join in getting some of this soil-conservation money. For example, in Iowa, we have an insurance company that has a great number of farms, I do not know how many, say, 200. Under the present law they do not permit their tenants to join in getting any of this money. Under this proposed bill the distinct provisions are that the big landowner will not be affected if he permits his tenants or sharecroppers to join and get some of the soil-conservation payments. I have in my pockets letters from county agents, and one says that one big company is charging those tenants out there 35 cents an acre extra, because the landlord cannot get into this program. The man who has 100 or 200 farms makes the poor tenant pay for it. Most of the tenants in Iowa are not cash tenants but deliver a share of the crop as rent to the owner. I suppose at least 90 percent of the rented land in Iowa is paid for by share account, say, two-fifths of the crop. Now these tenants are the men we ought to help. These are the only men who will be helped by this bill. Under the present law the big fellow may get his $10,000, but under this bill he will have to divide that $10,000 with the smaller people. That is the sole purpose of the bill. As I understand it, it is being asked for by farm associations and by men who are acquainted with the way this program has worked out.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. JONES of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Speaker, I am sorry the parliamentary situation under suspension of the rules prevents offering an amendment. Had the parliamentary situation been different, I proposed to offer the following amendment, which would have excluded the range program from the $5,000 limitation.

The amendment read as follows:

After the period and before the quotation mark in line 11, page 2, insert the following new sentence: "In case of payments to ranch operators for range-building practices on ranches, reduction will not be made on payments computed for less than $10,000 for any State, Territory, or possession for any year."

The range program is limited to 5 percent of the Soil Conservation funds. The amount expended did not exceed $15,000,000 in 1937, and the amount was about the same in 1938. I want the House to definitely understand that these range payments must be earned through the construction of reservoirs, farms, cleaning out of springs, construction of spreader terraces, and so forth. There is no cash profit to the operator. It requires that all of the money be spent for range-building purposes. This $5,000 limitation will keep several large ranches out of this program. Notwithstanding this fact, I am very much in favor of this bill. It corrects a very grave injustice which exists under the present law. Under the present law, all the agricultural units of a multiple-unit operator must be in the program. With a fixed ceiling on payments, the multiple land operator, such as mortgage companies, insurance companies, and in some cases, States, cannot go into the program because of the limitation of $10,000 in the present bill.

This amendment cuts this limitation from $10,000 to $5,000 but it puts no limit on the amount a multiple land operator may earn if he earns the payment in conjunction with tenants or charecroppers. I sincerely believe that the passage of this bill would place a great many tenants and sharecroppers back on farms because the program and the payments will be attractive enough to the multiple land operator to induce him to join the program in order to receive the benefits. To vote against this measure will encourage and

continue the policy of farming with day labor; to vote for it will definitely encourage big land owners and multiple land owners to put tenant farmers and sharecroppers back on the land. I sincerely hope the House will pass this measure.

Mr. HOPE. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. REES.]

Mr. REES of Kansas. Mr. Speaker, I think it is extremely unfortunate that this bill should be brought up under what is known as a suspension of the rules. No one is given a chance to amend it. Only 40 minutes is allowed for debate. Then we vote the bill either up or down. It provides a limitation of $5,000 for a single operator—but for a person or corporation owning several farms the sky is the limit.

As I have said on the floor of this House before, in my opinion, payments made under the Soil Conservation Act are subsidies. A good deal has been said about earning the payments. After all, the payments are made to assist the farmer to carry on because of the extremely low prices which he is receiving for the things he produces. It is suggested today that this measure is intended to make the situation of the farmer more equitable. It does not even touch the fellow who really needs the help.

There are approximately 6,000,000 farm operators in this country. In 1937 approximately 3,600,000 participated under the Farm Act; $315,000,000 was distributed among these farmers. Now, to show the inequality of the plan, more than 1,000,000, or one-third of them, received less than $20 each.

I will put it another way. Half of the farmers who participated in the program got less than $40 each. One million eight hundred thousand farmers received thirty-eight and one-half million dollars. It took $44,000,000 to administer the fund. One-half of our farmers got less of the fund appropriated for them than was paid to those who administered and distributed it. Three million farmers got $107,000,000. Then the other $200,000,000 was distributed among the remaining one-fifth of the farmers.

Since Congress has seen fit to handle the farm situation in the manner it has, it seems to me we ought to take a little more interest in the man who is operating the family-sized farm. Some time ago I introduced a bill in the House that would increase the payments a little to those farmers who are now receiving $20, $35, and $50 each. The bill also provides for a limitation of $2,500 to one operator. It just seems to me that $2,500 is a pretty fair sized subsidy to pay to one operator. We are getting to the place where we have to give a little more consideration to the ordinary average farmer who is trying to get along rather than to pay huge sums to big operators. I hope the time will soon come when the farmer can have a fair price for the things he produces, so he will not be required to accept subsidies from his Government in order to provide a decent standard of living for his family.

I am more convinced than ever that the great problem involved is not so much one of overproduction. It is one of maldistribution and underconsumption. We have too much competition from the outside. The farmer is required to pay too much for the things he needs when compared with the price he is compelled to accept for the products of his land and his efforts. [Applause.]

[Here the gavel fell.]

Mr. JONES of Texas. Mr. Speaker, I just wanted to say a word in reply to the gentleman from Kansas [Mr. REES]. I have a high regard for the gentleman, but I think he will find that his conclusions are not justified from the facts. As a matter of fact, under the present act the first $50,000,000 is paid as extra payments to farmers who draw less than $200; that is, they take $50,000,000 of the fund and apportion it as extra payments among those who would otherwise draw less than $200. Now, as a matter of fact, the amount of money that is drawn by the big farmers has been greatly exaggerated. There are only 385 farmers of the 4,000,000 who get over $5,000. Nearly 95 percent of the fund is paid to farmers who draw less than $500. Ninety-nine percent of this goes to farmers who draw less than $1,000. Only 385 in the whole United States draw more than $5,000. They represent only about two-thirds of 1 percent of the total payments.

The gentleman's figures are taken from those who get very small payments. A great many of those who were paid in small payments were men who would have a very small amount of wheat near the fringe. Near the cotton fringe there are a great many people who grow a little cotton but who grow a great many other crops, and their payments on cotton are small. The same is true of wheat. The same is true of corn. So that the picture is not half so bad as it might be made out to be. This bill does not increase the payments of any man if he is operating his own farm, and trying to operate without tenants and sharecroppers. Remember that more than half the farmers of the United States are tenants and sharecroppers. If this is not adopted many of those will be driven from the soil. I think that would be an inexcusable condition for the Congress to permit to take place.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield for a question.

Mr. REES of Kansas. But the fact does remain that more than a million farmers in 1937, about one-third of them, did draw less than $20; is that true?

Mr. JONES of Texas. Oh, that statement is probably correct. There are over 6,000,000 farmers.

I want to answer another statement which the gentleman made. The number of farmers who complied has been increasing every year. Already for this year, notwithstanding the criticism of the program, there are 250,000 more farmers who have indicated their desire to go along with the program than went along last year. Those in charge of administering the program say that 80 percent of the corn and wheat farmers have indicated that they will join the program. Ninety-two percent of the cotton farmers and more than 75 percent of the other farmers who live in the major farm-producing areas will join the program. Indications are that participation in 1939 will be the largest for any year thus far. That is a great compliment to the success of the farm program, notwithstanding the criticism.

Mr. Speaker, I reserve the balance of my time.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I am in thorough accord with the purpose of the amendment, which seeks to give the benefits of this act to tenants and sharecroppers, but I am sorry the legislation comes up in this form, which precludes consideration of amendments to the bill with reference to payments to large owners of farm lands. These owners will receive much greater payments under this amendment than they are receiving at the present time.

I am interested in the family-sized farm and the man who operates it, whether he be a tenant, a sharecropper, or an owner. He is the one who is entitled to the maximum payment that can be given him by the Government as long as subsidies are to be paid rather than the large operator, who has plenty of means and can own large tracts of land.

Mention has been made of the fact that many additional farmers are coming into the program this year. This is true. I do not see how any farmer can stay out of the program this year when the cotton farmer receives between 4 and 5 cents a pound on cotton through soil-conservation and parity payments; when the wheat farmer gets up to 28 cents a bushel and when the corn farmer gets 15 cents a bushel, I do not understand how any farmer would stay out of the program. Most farmers in the country, therefore, who produce the basic crops will be going into the program to get the maximum subsidy payments from the Federal Government. They should do so, and I urge them to do so this year. No one knows how long the Government will be able to pay subsidies to farmers and the other subsidies they are paying at the present time; but as long as the farmers and others have to pay taxes they might as well get all they can out of the program as long as the subsidy payments are continued.

I wanted to offer an amendment to this bill limiting all payments to $2,500. This amendment was adopted the other day in the House by a majority of nearly 100 when I offered

it in connection with the agricultural appropriation bill. It showed the overwhelming sentiment of the House to be in favor of restricting the payment of large sums of money so that maximum benefits might be paid to the small family operated farms. We do not want a repetition of what took place under the original Triple A as reported in Senate Document No. 274, which shows hundreds and hundreds of payments of from $10,000 to $1,000,000 made to individual farmers in a single year.

This amendment might bring out a great deal of criticism if adopted today because it does remove the lid on payments to large operators. Provided the large operator rents his farms to tenants there is no limit on the payments that can be made to the farm owner. There is a limit, however, of $5,000 on the amount of payment that can be made to a farm owner who operates his own farm. So there should be no misunderstanding whatsoever about the proposition.

I propose to introduce a bill and hope to have it considered in the House before we adjourn which will limit all benefit payments to $2,500. I am doing this because of my inability to secure consideration of the amendment in connection with the bill before us.

[Here the gavel fell.]

Mr. JONES of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. CUMMINGS].

Mr. CUMMINGS. Mr. Speaker, I would not have cared to talk on this bill except for the fact that so much misapprehension exists. For the life of me I cannot understand why a man who has been so unfortunate as to own 15, 20, 40, or 50 farms, as some have through the method of foreclosure, should be prevented from coming under this program because he rents that land. He is taking care of his tenants; they get the most of it; he does not get much of it.

There is a great deal of misunderstanding about this bill. I was opposed to this rehabilitation of farmers. You know the bill I mean. They took a class of farmers who could not borrow a dollar at the banks and bought them the full outfit. From figures I secured from the Department, I find that in the district I represent they had lent over $4,000,000. I found further that 25 percent of the money has been paid back, although a lot of it is not due for 3 years. The truth is I was plumb wrong about that class of people that we always thought could not take care of themselves. They are making good.

Do not cripple this bill; do not cripple it with amendments you do not fully understand. This bill does not endanger anybody, but it does take care of the tenants, and they are the ones who need taking care of. [Applause.]

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman yields back 1 minute.

Mr. HOPE. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I am anxious that the Members of the House may know just who this big landlord is and how this situation exists.

Mr. Speaker, unless we pass legislation of this character very grave injustice will be done the tenant farmers. In my State of South Dakota the big landlord is the State itself. We attempted to offer the farmers of the State a better credit system some years ago, cheaper interest on farm mortgages; and as a result of that effort today the State of South Dakota owns 7,000 farms. It keeps up the farms, pays interest on 20 millions of dollars in bonds floated to finance the loans—even pays taxes to the counties and schools on these 7,000 farms that it had to take over.

These farms are all operated by renters. It is true that the farmers could come under this program so far as they themselves individually are concerned if they could pay cash rent and thereby become the sole operators. But if the rent in any way depends on the yield or farm income, the landlord becomes a joint operator and he is penalized about 5 to 1 for every farm out of compliance. Now, not enough of the farmers can pay cash rent to make things balance for the South Dakota Rural Credit Board's renters to go into the program.

Just Saturday I received a letter from the director of our rural credit board, saying that he had been obliged to report to the State director of the Triple A program that unless this legislation were passed their 7,000 farms would have to go out of the program. I think the Members understand that if some of a landlord's farms do not comply, the penalty for their noncompliance is assessed against the landlord's other farms. This means in my State not only the insurance farms that are rented on shares but it means also that these 7,000 State renters are taken out of the program and will seek by increased acreages to make up the lost benefit payments.

You talk about the effect on the landlord or the big operator, but unless this bill is passed you will be slapping in the face 7,000 renters who have no other way to come under the program.

In addition to the State-owned farms we have the farms that are rented from insurance companies and others who have extended loans on farms and foreclosed. Nobody who took over a large block of these farms wanted to take the farms over. The Federal land bank did not want to take them over, the State of South Daokta did not want to take them over, the insurance companies did not want to take those farms over, but they have them and they are trying to rent them to people who want to get on their feet again.

If you do not pass this bill, you are slapping those renters in the face. What you think of the Agricultural Adjustment program as a whole is entirely beside the point as far as this bill is concerned. The program is in effect. The general act is the law. If you favor limiting the payments to those who own the farms they operate, or who are able to pay cash rent, you can vote against this bill. But if you favor amending the act so that share renters and sharecroppers can qualify, you will vote for the amendment to the act, embodied in this bill.

The gentleman from Minnesota said he would advise all farmers to come into the program this year, but unless you pass this bill the farmers cannot follow his advice, not if they rent on shares from a landlord with any large number of farms. Many of these men owe money to the Farm Security Administration or other Government agencies. It is good business for the Government to see that they have an opportunity to qualify for benefit payments—but primarily I appeal to your sense of fairness to remove the restriction on multiple farms and let these renters get the benefit of the farm program this year. [Applause.]

[Here the gavel fell.]

Mr. JONES of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, may I ask a question of the distinguished chairman of the Committee on Agriculture? In my State we have quite a few large operators of wheat ranches. Regardless of how many acres a farmer farms, is he limited, under the operation of this bill, to $5,000?

Mr. JONES of Texas. He is limited, if he is operating himself and not through renters or tenants. If he uses renters and tenants, either or both, there is no limitation so long as he simply draws his part of the payment. The tenant draws the major portion. It is usually the major portion on account of the division which goes to the tenant.

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Speaker, New York State from which I come consists mostly of family-sized farms. No farmer draws anything like $5,000. About the most a farmer can receive in New York State is $200, and that only to the best farmers.

The farmer who really needs soil conservation cannot get any help at all and that is where I find fault with the pending legislation. The little farmer who has 50, 75, or 100 acres is the one who does not have ready money. He is the man who needs the help most, if help it be. He is the man who needs the soil conservation, if any one is to have it, in

order to help his farm. But he has to have ready money to buy seed and fertilizer, and does not have the ready money—and fertilizer sells for cash.

I have contended that we should amend this legislation so that the farmers who are in need of help may receive it and not give it all to the man who really can afford to pay for what he has. When they see that some farmers receive $5,000, or an amount larger than that, they think the Government is just simply giving away money to people who do not need it. As I stated before, the ones who need it most cannot get any help at all. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield the remainder of the time on this side to myself.

Mr. Speaker, under the present law there is a limitation of $10,000 so far as total payments are concerned. That is the only limitation. Two criticisms have been made of this limitation. Some people think it ought to be lower. To meet that criticism, there has been embodied in the present bill a limitation of $5,000 in total payments and a reduction of 25 percent in all payments above $1,000.

The other criticism that has been made of the present law is that in the case of multiple landowners, such as the State of South Dakota or large mortgage and insurance companies that have been compelled to become landowners involuntarily, the $10,000 limitation would prevent their participation. The reason that they cannot or will not participate is because the payments which they would receive are so limited in proportion to the land involved and work required that they feel they cannot afford to come in. If a $10,000 limitation would prevent their participation, then, of course, a $5,000 limitation, as provided in this bill, would prevent an even larger number of multiple landowners from coming into the program.

Of course, the object of this bill is not to take care of the large multiple landowner. The object of the bill is to take care of his tenants, because if the landlord cannot come in then the tenant cannot come in, either. There is no logic or reason why a tenant on one side of the road who rents his farm from the State of South Dakota, or a mortgage company, we will say, should not come into the program because these limitations keep his landlord out, when the man on the other side of the road whe rents his farm from someone else, who owns only one or two farms, gets a payment.

The main purpose of this bill is to make it possible for tenants who happen to be unfortunate enough, if you want to call it that, to be tenants of large landowners to come into the program on the same basis as the tenant who rents his land from a small landowner.

As the chairman of the Committee on Agriculture told you awhile ago, the number of payments over $1,000 is very small. I feel, therefore, that the matter of reducing the limit on payments is a rather immaterial feature of the bill. The main object is to put all tenants, of whom there are almost 3,000,000 in this country, on an equality. Furthermore, by passing this bill we will not only put tenants on an equality with each other but will protect the family sized farms now being operated by tenants.

The tendency in some parts of the country where these limitations have been applied, has been for large landowners to say, "Well, if we cannot come into the program we will just stay out of it altogether and get rid of our tenants." I am sorry to say that situation has occurred in some parts of the country. They are using labor-saving machinery, such as we have today, and it is possible for the large landowners to farm the land themselves through hired help. That is what we want to get away from. If the large landowner gets rid of his tenants and sharecroppers and operates the land himself he is subject to the limitations of the bill. If he farms by tenants he is not. We want to encourage large landowners to farm through tenants. If you want to do that, support the present bill, because that is what it will accomplish. I do not say that this is a perfect bill. In theory at least it seems hard for one to justify any limitation on soil-conservation payments. They are paid to farmers for carrying out certain practices. That being the case why should not the large landowner who carries out the required practices be paid at the same rate as the smaller landowner? The $5,000 limitation will work a hardship on those in the range program as mentioned by the gentleman from Oklahoma [Mr. FERGUSON]. I recognize, however, the sentiment in the House and in the committee in favor of some limitation, and feel that the present bill is a fair compromise of the very divergent views which exist on the question. Therefore, I favor its passage. [Applause.]

[Here the gavel fell.]

Mr. JONES of Texas. Mr. Speaker, this measure, as my colleague has just stated, will protect the tenants and sharecroppers, many of whom might otherwise be compelled to leave the land. If a man owns land himself, or if a mortgage company or insurance company or a State owns land, they frequently do not want the land because there is expense connected with such ownership. If you place a flat limitation on this payment and make it low and do not permit the landowner to have anything, in desperation he will probably say, "My only recourse is to drive off the land these 50 or 100 or 500 tenants and leave them off the land, and get some machinery and hire seasonal labor." Thus a considerable percentage of the 2,500,000 farmers who are now tenants and sharecroppers will be forced on relief. I believe it would be absurd for the Congress to take such a position.

Mr. Speaker, I ask for a vote on the bill.

The SPEAKER pro tempore (Mr. BLAND). The question is on the motion to suspend the rules and pass the bill as amended.

The question was taken, and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER pro tempore. Under a previous special order, the gentleman from Indiana [Mr. HARNESS] is recognized for 15 minutes.

Mr. HARNESS. Mr. Speaker, I have today introduced a measure which I believe will not only give full satisfaction for a series of gross offenses against the honor and dignity of our armed forces in the last war, but which will also strengthen our hand against possible similar offenses in the future. This measure would preclude the reentry to the United States, under any circumstances, of any person who has fled, or who may in the future flee, from the United States or its possessions as a convicted deserter from our armed forces in time of war.

You have all seen the news dispatches reporting Grover Cleveland Bergdoll's intention to seek reentrance to the United States, and to serve the penal sentence which he fled this country in 1920 to escape. I think we may safely presume, in case he might gain admittance and serve this term, that he will attempt to recover the $500,000 to $600,000 worth of property which was confiscated by the Alien Property Custodian following his flight from the country.

I was moved to offer this measure at this time specifically to insure against this arch-traitor's return to this country under any circumstances. How can there possibly be a place in America for a man who has so flagrantly rejected his American responsibilities, and so violently renounced his American rights? What claim to asylum do his German-born and German-reared wife and children have upon America? My deepest sympathy goes to that woman and those innocent children who must live under the clouds of war which threaten them. But it is exactly the same sympathy which I feel for the millions of other German people who suffer under the iron hand of the war-mad Hitler. The Bergdoll family deserves and should receive nothing from this country which we do not extend to every other person in Germany.

Is it a sudden burst of patriotic fervor and love of country which prompts this traitor to seek reentry to America? Or

has he found conditions in Germany so extremely unpleasant that life in America—even in a prison cell—seems preferable? Does the menace of war which hangs over his chosen country alarm him? Do the rigors of the Hitler dictatorship chafe his wastrel, playboy soul?

Obviously, Bergdoll is moved by these latter considerations, for it is impossible to imagine the slightest spark of patriotism stirring in the man who has so consistently hated and reviled America. Remember that Bergdoll was the spoiled, pampered, wastrel son of a wealthy family who grew up with an abiding contempt for law, discipline, and order; and who spent an active youth violating the rights, peace, and security of others. This unbridled libertine seems now to have run athwart an iron-handed regimen which he cannot violate with the same impunity which marked his course in this country.

Remember, too, that Bergdoll has always been accustomed to every luxury that wealth can buy. Even though the Alien Property Custodian impounded his sizeable fortune, his mother's wealth has been, at least until recently, at his command. But the steadily tightening economic vice in which Hitler's course of conquest has been squeezing Germany is probably cutting off the luxuries to which this son of wealth has always been accustomed.

It may even be that his rebellious nature has led him to indiscretions which have invoked the wrath of his overlord. His desire to quit his adopted country may be born of dire necessity. There would, indeed, be poetic justice in the picture of a man fleeing the incomparable freedom of America only to fall into the straitjacket existence which destroys all personal liberties in the Germany of Hitler. As loathesome and revolting as are the Gestapo methods of Hitler, this might be an occasion where we could almost view them with tolerance.

Whatever the reasons which underlie his desire, it is quite natural that Bergdoll should seek to escape the hardships and dangers of existence in Germany. A military prison in America is vastly better than a concentration camp in Germany. And 5 years of penal servitude is a small sacrifice to attain the soft life of ease and freedom which his mother's wealth would assure him in America.

I have spoken of Grover Bergdoll in harsh terms, but I use those terms advisedly. His offenses against this country were not the offenses of the ordinary "conscientious objector" who is sincere and honest in his refusal to bear arms against his fellow men; and who is willing to suffer punishment rather than forsake his principles. This man, Bergdoll, showed no such pacific disposition. The best that could ever be said for him was that he was a reckless, irresponsible youth who was driven by emotional hysteria to the grave offenses he committed against the country which had provided for him so handsomely and treated him so leniently.

The weight of evidence, however, proves that he was contemptuous, truculent—even brutal and vicious; and these offenses were deliberate and premeditated. Consider his record:

At the age of 16, Bergdoll shot at an officer who was attempting to arrest his brother for speeding. Carrying and using lethal weapons was not an accident of youthful exuberance, as later events proved.

At the age of 18, Bergdoll was caught carrying a pistol and a dagger, this time through an arrest for speeding.

In 1912 and again in 1915 Bergdoll was arrested for motor accidents causing injuries to himself and others.

His vicious tendencies further revealed themselves at the age of 19, when he was arrested in 1912 for beating an officer.

Bergdoll had the wealth to indulge every whim. It was natural, therefore, that he should own and fly his own airplanes. He was physically skillful in aviation as he was in driving. But the skill was accompanied by recklessness and complete disregard for the rights and safety of others. Just as he was arrested repeatedly for reckless driving and speeding on the highways, so was he grounded and repeatedly warned for flying dangerously low over Philadelphia and the crowded beaches at Atlantic City. Both planes and motors were extremely undependable in those days, and low flying was extremely hazardous. Any failure over a crowded area might have killed and maimed scores of people. Still, Bergdoll disregarded other people's safety when he flew, just as he ignored their rights and their safety when he drove a car. Repeated warnings and arrests changed his contemptuous attitude not the slightest.

That is the young man as he was up to the entrance of America in the World War. His character was a matter of public record before this time; and his pro-German sympathies were established by the fact that he volunteered his services, his planes, and his resources to the German Army in 1914. The events which followed could have been foretold clearly:

In 1917 Bergdoll fled to evade the draft law. He became a technical deserter at large but avoided capture until January 1, 1920. As a fugitive he repeatedly wrote taunting and derogatory messages in the best gangster manner to Army and civil officers.

After his conviction on the desertion charge, Bergdoll contrived a cock-and-bull story about a large sum of gold which he had buried in the Maryland hills. Upon this ruse he secured leave under guard on the pretext of conducting a search for this purported treasure.

It should be noted that the search was fruitless. That the whole affair was a sham became obvious when he eluded his guards by a prearranged ruse while visiting his mother's home in Philadelphia. He left his guards to answer a faked telephone call and escaped, in company with his chauffeur, Eugene "Ike" Stecher, who was also a deserter from the United States Army.

The circumstances surrounding the escape clearly indicated prearrangement. Furthermore, that escape transpired in such a manner as to throw unjustified but nonetheless serious suspicion upon a number of Army officers and persons in the War Department. Apparently, the written order granting the leave did not include the privilege to visit his mother in Philadelphia. The irregularity surrounding the side visit gave credence to ugly stories of bribery which were cleared only after a congressional investigation.

Thus closes the record of Bergdoll in America. But interesting and enlightening events followed after he found asylum in Germany. Two unsuccessful attempts were made to abduct this traitor and return him to justice in America. Following the first, in 1921, Bergdoll cabled this message to the Philadelphia Public Ledger:

> We captured six Department of Justice agents and threw them in prison. We are safe and sound. See Associated Press reports.

Here again is the gloating Bergdoll. As thoughtless and unjustified as may have been the attempted abduction, the man could not restrain the gangsterlike quirk which drove him to twit the forces of law, even on such a groundless charge. The Department of Justice, of course, refuted the implication that the incident was an official attempt to apprehend Bergdoll.

In 1923, six overzealous Americans made a second attempt to abduct Bergdoll. It was on this occasion that he shot and killed Carl Schmidt and severely bit a second of his would-be abductors.

In 1921, shortly after reaching Germany, Bergdoll applied for German citizenship. The application was refused, and no further authentic information is available on his status thereafter.

There is the record of the man who finally, after almost 22 years, would embrace the American cause and reclaim American citizenship. The evidence needs no comment, except to emphasize the sly cunning and hatred Bergdoll displayed. Not only did he flaunt his disdain as a fugitive and afterward, when he found asylum in Germany, but as a result of the fiasco which started as a treasure hunt and wound up with his escape from this country, he threw a cloud of grave suspicion upon Army officers and War Department officials which threatened their characters and their careers. That the suspicion was groundless merely serves to prove his vicious, subversive cunning.

This traitor offered his services and resources to Germany in 1921. He renounced any possible remaining American rights when he applied for German citizenship in 1921. Under the circumstances, there can be no useful place for him in America now. [Applause.] Neither he nor his family can have any slightest claim upon America.

Millions of patriotic Americans willingly offered their lives for their country, while the enemy-minded Bergdoll fled to safety. Thousands of fine American boys laid down their lives for the flag at which Bergdoll sneered. In simple justice to these men, and to every true American, this Congress should be eager to bar this arch traitor and all others of his stripe. [Applause.]

I feel strongly upon this subject, because I was one of the 4,000,000 men who discharged the duties which this traitor rejected. I spent 2 years in the service—a full year in the trenches opposing the forces which Bergdoll embraced. Because I wore the American uniform in the World War, however, I feel that I reflect the feelings of every other American service man in resenting the affront which Bergdoll committed; and in demanding full satisfaction for that affront.

I urge the adoption of this measure to avenge this grave offense and to strengthen the assurance that such offenses against the honor and dignity of America may never be repeated. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HARNESS. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Have not the Departments held that Bergdoll, the draft dodger, has lost his civil rights? If this be so, how can he obtain a passport to reenter America?

Mr. HARNESS. It is my understanding that the State Department takes the position that Bergdoll has lost his citizenship, but that matter would have to be thrashed out in the courts and would require a long legal battle.

Mr. SCHAFER of Wisconsin. While Congress is considering the bill which the gentleman has introduced Bergdoll may arrive in this country. Does not the gentleman believe that in view of the fact that this is Consent Calendar day, the gentleman ought to ask unanimous consent for the passage of his bill at this time and serve notice on this draft dodger to keep out of our country?

Mr. HARNESS. I hope the Congress will give immediate consideration to this bill. The bill will probably be considered by the committee tomorrow, and I hope, if the committee makes a favorable report, the House will then take it up by unanimous consent for consideration.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. HARNESS. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The gentleman has made a very splendid statement to the House on this matter. May I ask the gentleman what are the provisions of his bill? What is sought to be accomplished by the bill?

Mr. HARNESS. The bill provides that any person heretofore or hereafter convicted of desertion from the military or naval forces of the United States while the United States is at war, and who has proceeded, or who may hereafter proceed, to a foreign country to escape punishment for his offense, shall not be admitted to the United States for any purpose. The thing sought to be accomplished by this measure is to keep Bergdoll and any others like him from returning to the United States. [Applause.]

Mr. FADDIS. Mr. Speaker, will the gentleman yield?

Mr. HARNESS. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. I am very much in sympathy with the gentleman's sentiments toward this arch traitor, but I am very much afraid he will be allowed to land. I wish to express the hope that, if he does land, he will be imprisoned, and that the House of Representatives and the Senate of the United States, and everyone else connected with the Government, or having any interest in the Government, insist that he do his full time in prison, and under no conditions be pardoned, and also that his time be increased by all the penalties the law can heap upon him.

Mr. HARNESS. I thank the gentleman for his contribution, but let me say that if the Congress will consider this bill within the next week we can stop Bergdoll from coming back to this country and will not have to be bothered with him or others of his stripe any longer. [Applause.]

Mr. FADDIS. I shall be glad to vote for the gentleman's bill, and I hope we furnish the world another example of a man without a country.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. HARNESS. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. I desire to make the observation that I am in sympathy with the purpose of the gentleman's bill. May I further add that I agree wholeheartedly with the sentiments expressed by the gentleman from Indiana. It is plainly evident that the gentleman has made a very serious and detailed investigation of the activities of this well-known draft-dodger traitor to the Government. As a former service man, I am pleased to join the gentleman in the hope that his bill to bar Bergdoll from America will be enacted by this Congress at an early date.

Mr. HARNESS. I deeply appreciate the observations of the gentleman from Oklahoma. [Applause.]

[Here the gavel fell.]

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, today is the opening of the baseball season. One of my constituents, the Voit Baseball Co., of Los Angeles, has sent me half a dozen of their official baseballs, to be presented to the page boys of the House, who are going to wage a desperate fight in their ball games with the Senate page boys. I hope this year the pages of the House will win the pennant.

Mr. LORD. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. I yield to the gentleman from New York.

Mr. LORD. Mr. Speaker, due to the fact that this is the one hundredth anniversary of the invention of the game of baseball, which was started at Cooperstown, N. Y., in my district, by Gen. Abner Doubleday, I hope the gentleman will consider donating one of those baseballs to the centennial that is to be held in Cooperstown, which I hope the gentleman from California and all other Members of the House will attend.

Mr. KRAMER. I shall be pleased to do so. [Applause.]

Mr. LORD. I wish to thank the gentleman in behalf of Cooperstown Centennial Ball Association.

[Here the gavel fell.]

THE PRACTICAL SIGNIFICANCE OF P. W. A.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point, and include therein a list of the pending non-Federal Public Works Administration projects.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, last year when business was badly in need of revitalization and another depression threatened to engulf the Nation, Congress appropriated a sum of money to be used for loans and grants to cities and States and municipal bodies for public-works projects. The appropriation acted as a "transfusion" to industry and thus to the Nation as a whole. The fact that the "transfusion" was postponed for so long was responsible for the delay in the business upswing, which did not begin to be felt until the latter part of 1938. Immediately after the legislation was enacted, however, and projects put into operation, pay rolls lengthened and orders for materials increased.

Construction of public works has been regarded for many years as one of the more promising means of relieving unemployment in periods of acute industrial depression. Public construction provides jobs when they are needed most, and stimulates employment in the heavy industries by creating a demand for the raw materials used in construction. More-

over, with the purchasing power of the workers, directly or indirectly employed, maintained, the demand for consumer goods is sustained and other parts of the industrial system are kept in motion.

The practical significance of P. W. A. is known to all of you. I need not tell you that we have had nothing more useful to show for our money than the public-works projects of permanent useful character, which have been sponsored by Secretary Ickes as P. W. A. Administrator. There has been no criticism of the P. W. A. program and its benefits are plainly discernible.

While it is easy for critics to point out the inability of P. W. A. to provide large-scale employment, the careful standards established by Secretary Ickes should not and cannot be broken down, and it must be remembered that many hours of employment are furnished indirectly by the program. The main consideration is that in the allotment of public-works funds the amount of labor required for each of the several kinds of public works is of first importance. How can the maximum employment be created with the funds available? Aside from the question of economic and social utility, what are the employment potentialities of projects for flood control, highway construction, reforestation, abolition of grade crossings, slum clearance, public buildings, schools, and soil-erosion control? It is a relatively simple matter to determine the direct labor requirements at the site for each of the several classes of projects, but this is only a partial picture. Many additional jobs are created indirectly by the production and handling of materials needed for the projects.

For that reason Secretary Ickes is to be congratulated for drawing the all-important distinction between socially desirable public works and those undertaken as made-work projects. We can analyze the results of the programs undertaken in the past and conscientiously support legislation to continue the public-works agency.

We know that during the heat of the recent hard-fought political campaign we heard no criticism of public-works projects or of the manner in which P. W. A. has been administered. There must have been a reason for this absence of political attack. In my opinion, this reason was that the Public Works Administration never has been conducted on a partisan basis. Secretary Ickes' brand of public works and politics do not mix.

Another reason for the widespread popularity of the program has been that through P. W. A., States, counties, and municipalities, from the humblest of villages up to the great metropolises, irrespective of their political complexion, have had the opportunity of sharing directly in effecting recovery. They have done this through their own planning and initiative, through the selection of those projects that they considered the most needed and useful and through the expenditure of their own funds.

The P. W. A. construction program has proved workable because it provides employment for men in their own trades, at the same time benefiting the heavy-goods industries. It contributes nothing to the growing dependency of the relief workers on the Government and, on the other hand, encourages men who are on relief to look for work in their own trades and at their own rates of pay.

I advocate that the Public Works Administration be designated for the management of such part of all relief appropriations as may be used for construction work. I maintain that in this manner Congress can insure an efficient and economical construction program and at the same time revitalize business and relieve unemployment. I firmly believe that all public construction should be done by the contract method and through a system of competitive bidding. I believe that construction workers should be given the benefit of labor protection as set forth in the laws of the Nation which is assured them under the P. W. A. basis of operation.

Important decisions respecting work-relief policies confront the Congress at this time. I hope that my recommendations will be given some consideration and thought. The Government's moral responsibility for the welfare of its people must not transcend all considerations of efficiency. We should keep in mind that public funds are a public trust.

I have long held the belief that a majority of the unemployed in this country want jobs in private industry at prevailing wage rates. It has been charged that many of the persons working on Government relief projects would not accept employment in private industry if it were offered to them. I have never been able to find any foundation of truth in this. The people in my district, and they are average American men and women, do not want to accept relief unless they are forced to do so, and those who are employed on relief projects do not want to continue 1 day longer than is necessary. They will accept work in private industry any time it is offered, and if Government can bring industrial health to the Nation, I know we will have no unemployment problem.

P. W. A. has acted as a much-needed "shot in the arm" to industry in the past. It has provided work in private industry for those who would otherwise be forced on the relief rolls.

I am such a dyed-in-the-wool supporter of public works that I believe every reasonable consideration should be given to the suggestion of making P. W. A. a permanent agency of our Government. It goes without saying that a long-range program is necessary. On the basis of experience we must prepare ourselves for the future. A master plan will aid Congress in harmonizing over a period of years what is needed with what can be paid for. It will prevent the spending of public funds haphazardly and illogically.

Congress has in the past enthusiastically endorsed the public-works program. I hope serious consideration will be given to making this a permanent part of our Government for use in times of depression when a financial "transfusion" is most needed to prevent industrial collapse.

I list below a summary of applications for projects, by States, pending before the Public Works Administration as of January 18, 1939, which might be eligible for allotment if additional appropriations were provided:

PENDING NONFEDERAL PUBLIC WORKS ADMINISTRATION PROJECTS

Summary of list by counties, of applications for projects pending before the Public Works Administration which might be eligible for allotment if additional appropriation were provided as of Jan. 18, 1939

State	Number of projects	Loan	Grant	Total	Estimated cost
Alabama	47	$421,500	$2,537,328	$2,958,828	$5,639,114
Arizona	91	8,627,500	10,764,093	19,391,593	23,921,483
Arkansas	25	618,000	706,478	1,324,478	1,569,955
California	458	7,814,000	94,045,671	101,859,671	247,201,156
Colorado	42	324,000	2,843,486	3,167,486	6,319,197
Connecticut	91	31,000	10,650,990	10,681,990	23,668,878
Delaware	4		203,292	203,292	451,760
Florida	92	12,997,200	17,157,602	30,154,802	38,128,971
Georgia	91	1,608,875	10,000,453	11,609,328	22,756,023
Idaho	26	179,838	1,743,830	1,923,668	3,875,171
Illinois	459	292,409	39,470,438	39,762,847	88,173,948
Indiana	61		5,608,698	5,608,698	12,466,027
Iowa	213		8,461,095	8,461,095	18,797,422
Kansas	87	4,637,000	7,007,483	11,644,483	15,595,646
Kentucky	26	275,000	1,426,324	1,701,324	3,169,615
Louisiana	141	1,573,910	15,141,213	16,715,123	33,647,150
Maine	31	28,000	828,828	856,828	1,841,848
Maryland	34	143,000	16,346,630	16,489,630	36,324,846
Massachusetts	49		4,908,144	4,908,144	11,038,929
Michigan	105	982,500	11,650,027	12,632,527	25,883,162
Minnesota	89	23,000	8,844,047	8,867,047	19,653,441
Mississippi	86	2,541,568	3,483,684	6,025,252	7,733,644
Missouri	91	11,060	9,196,642	9,207,642	20,452,626
Montana	41	1,086,200	4,205,766	5,291,966	9,346,148
Nebraska	131	3,209,571	10,625,264	13,834,835	23,611,713
Nevada	20	19,000	1,029,126	1,048,126	2,286,956
New Hampshire	21		1,359,836	1,359,836	3,021,858
New Jersey	187	11,404,000	30,011,254	41,415,254	68,942,480
New Mexico	19	2,295,500	4,496,147	6,791,647	9,991,446
New York	429	18,375,000	114,573,744	132,948,744	257,090,091
North Carolina	81	962,000	4,720,456	5,682,456	10,489,915
North Dakota	53	33,000	2,197,885	2,230,885	4,884,197
Ohio	190	926,500	26,854,233	27,780,733	59,684,168
Oklahoma	54	1,119,000	10,500,092	11,619,092	23,333,926
Oregon	34	175,700	1,400,968	1,576,668	3,113,265
Pennsylvania	966	64,270,300	130,243,047	194,513,347	289,450,945
Rhode Island	12		2,420,483	2,420,483	5,378,850
South Carolina	57	9,554,000	13,138,693	22,692,693	29,197,117
South Dakota	35	43,000	2,746,627	2,789,627	6,099,179
Tennessee	94	4,566,000	9,878,500	14,444,500	21,954,822
Texas	298	33,209,175	59,386,383	92,595,558	134,106,856
Utah	23	195,000	2,293,371	2,488,371	5,096,387
Vermont	15		760,677	760,677	1,690,397

Summary of list, by counties, of applications for projects pending before Public Works Administration which might be eligible for allotment if additional appropriation were provided as of Jan. 18, 1939—Continued

State	Number of projects	Loan	Grant	Total	Estimated cost
Virginia	150	$391,000	$9,831,851	$10,222,851	$21,844,622
Washington	190	447,850	15,091,915	15,539,765	33,537,621
West Virginia	33	1,369,000	7,738,288	9,107,288	17,196,198
Wisconsin	141	8,600,000	17,739,788	26,339,788	39,422,935
Wyoming	41	377,000	2,045,608	2,422,608	4,545,435
District of Columbia	8	8,706,500	7,123,500	15,830,000	15,830,000
Alaska	7	210,000	233,672	443,672	519,272
Hawaii	10		828,225	828,225	1,840,500
Puerto Rico	25	1,689,000	1,484,993	3,173,993	3,299,993
Virgin Islands	3	173,250	176,932	350,182	393,182
Total	5,807	216,535,846	778,163,800	994,699,646	1,775,510,286

EXTENSION OF REMARKS

Mr. HUNTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio broadcast on the bill H. R. 2387.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution which I send to the Clerk's desk and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 167

Resolved, That Mr. HARRY SANDAGER, of Rhode Island, be, and he is hereby, elected to the District of Columbia Committee of the House of Representatives.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a speech made by the gentleman from Illinois [Mr. SMITH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to the bill H. R. 4646, to provide means by which certain Filipinos can emigrate from the United States.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain short portions of a bill which I introduced and also a statement entitled "A Program for Monetary Reform," by a number of professors.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BENDER asked and was given permission to revise and extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, on Saturday, February 25, 1939, it was my privilege, with other members of committees interested in national defense, to witness two demonstrations. During the morning there was a demonstration by the Air Corps at Langley Field and Messick. It was an excellent and most impressive demonstration. Some of us went up in one of the planes, so we could not hear the explosion of the bombs. However, those who were on the ground did hear the explosions, and all of us were impressed deeply with the destructive capabilities of attack from the air. That afternoon we observed a demonstration of antiaircraft artillery at Fort Story, Va., and also saw two rounds fired from a seacoast battery at Fort Monroe. Those firings were also excellent and impressive, and I believe that others will agree that the trip to Virginia was well worth while.

The trip had been planned by General Craig in compliance with a request made by the Military Affairs Committee during the hearings on the President's national-defense message of January 12, 1939. Ever since that trip I have been thinking about the things I saw and trying to couple them with some of the things I heard from witnesses before the committee and things I have read of the hearings before other committees of Congress. My cogitations lead me to wonder about some features of our plans for defense.

For a number of years I have been a Reserve officer in the Coast Artillery Corps. During those years I have learned that one of the principal reasons for fortifying harbors is to preclude the necessity of assigning local defense missions to detachments of our fleet. Thus the entire fleet is enabled to act in unison in the accomplishment of its real mission instead of being withheld from the high seas in order to insure the local defense of our harbors. Harbor defenses also insure protected anchorages for our Navy when in port. There is nothing new in that. Not one of you fail to wonder what it will cost to provide the fortifications necessary to protect a contemplated new naval base. The two thoughts occur simultaneously and subconsciously for the simple reason that we appreciate the necessity of fortifying naval bases. The fortification of naval bases is a principle of defense as old as navies.

In many respects an air force is like a fleet. It constitutes a highly mobile defensive force which is obliged to use offensive means. To be mobile and to act as a unit, it should not be parcelled out for the protection of many localities. It requires bases at which to refuel, rearm, and make repairs.

In some respects an air force differs from a fleet. Unless docked for repairs, a ship is always in its native element—the water—and, if the need arise suddenly, is capable of using its guns for self protection. It is true that naval engagements prefer battle formations which will permit the most effective delivery of fire and obviate the undesirable feature of massed targets for hostile fire. Not so with an air force. It may stay in its native element—the air—only so long as the fuel lasts. After that it must come back to its land or floating bases where, temporarily at least, it is helpless. Thus do air bases and flying fields offer the best targets while filled with planes. It is impracticable to keep an air force in the air continuously. It is obvious, therefore, that air bases should be protected just as are naval bases.

I know of only two methods of providing such protection. One is by the use of airplanes and the other is by fire from the ground. With the speed of all types of planes approaching the same figure, it seems that the defense planes are being seriously handicapped. Add to their inability to overtake their targets the difficulties incident to a pilot finding another plane during darkness and the handicap is multiplied. It would appear that interception and air combat during darkness will be purely accidental.

General Strong, the head of the War Plans Division of the War Department General Staff, told the committee that antiaircraft artillery in Spain was effective. Those of us who have seen these weapons fire can understand why. There is no delay in the delivery of fire from the ground. The projectiles can overtake their targets.

You may feel that I am arguing antiaircraft against aviation. May I state emphatically that such is not my intention. I am convinced that both aviation and antiaircraft artillery are essential to national defense just as are the Navy and and harbor defenses. How big the Navy or the Air Force should be are questions beyond my ability to answer. General Arnold told the committee that we needed the number of planes provided in the bill. He also said that planes lasted about 5 years. Twenty percent for maintenance is quite a lot but, if essential to national defense, I am in favor of it.

What I am trying to do is present certain facts and principles, which I have considered, in the hope that you will think them over and perhaps reach the same conclusions that I have reached. The first conclusion I wish to mention is that antiaircraft protection should be provided for all of our important air-force establishments. I believe you concur in the necessity of providing such protection for naval establishments.

We have been told that the present War Department program for antiaircraft artillery contemplates 34 mobile regiments as a minimum requirement for the continental United States. What will that number protect? Consider our air force and navy establishments. There are some 15 air bases and flying fields; 4 of these—the 3 wing headquarters and the school at San Antonio—should have the protection of at least 2 regiments each. If 1 be assigned to each of the remaining 11, the total requirement for that purpose will be 19. Neglecting ammunition and mine depots, naval air stations, submarine bases, and similar navy establishments, you may count 9 navy yards in the United States. Each should be protected by at least two antiaircraft regiments. If these 18 be added to the 19 for the air-force protection, the total is 37—3 more than the 34 in the present program. This very rough estimate indicates that the present program is too small. Bear in mind that I have included nothing in the way of antiaircraft protection for the field forces, nothing for the protection of manufacturing establishments, nothing for the protection of oil storage, nothing for the protection of metropolitan areas. I am wondering if the War Department has not been too modest in its requests and whether we are doing as much as is possible to provide antiaircraft protection.

Manifestly it would be impracticable to provide sufficient antiaircraft to protect everything. General Craig has stated many times that, in the event of an emergency, there will be numberless calls for antiaircraft protection. I feel that the program for 34 regiments should be enlarged.

Just a few words about the training of the personnel to man the antiaircraft weapons. Having been associated with this type of artillery for a number of years, I can assure you that the problems presented in firing at fast targets capable of moving in three directions are far from simple. The solution of those problems has led to the development of several articles which, of necessity, are quite complicated. The proper use and care of such equipment requires specialists. In the actual firing the sound judgment of those in charge add greatly to the effectiveness. I believe I can say truthfully that antiaircraft is the most difficult of all artillery. The training is necessarily detailed and requires both competent instructors and long periods of time for perfecting the required personnel.

It has been our policy, and a sound one, to charge the Regular Army with instructing the civilian components. To carry out this policy for antiaircraft instruction there are five partially active mobile regiments in the United States. These are located at New York, Chicago, San Francisco, Los Angeles, and Galveston. To supplement this shortage in mobile regiments, antiaircraft instruction is also given in certain harbor defenses. I have been receiving mine in the harbor defenses of Pensacola.

Practically all active training of the civilian components is held during the summer months. The combined requirements for the training of the C. M. T. C., the R. O. T. C., the National Guard, and the Reserve officers places a very heavy load on the Regular Army organizations charged with the training.

There are about 5,000 Reserve officers assigned to active and inactive antiaircraft regiments. If we assume that each of them has a 14-day active-duty training period each 3 years, it will mean that about 1,700 require training each summer. Quite a heavy load for the existing facilities. The solution, I believe, lies in more Regular Army antiaircraft regiments.

There is no Regular Army antiaircraft regiment in either the First, the Third, the Fourth, the Fifth, or the Seventh Corps Area. In the Fourth Corps Area there are more than 1,000 antiaircraft Reserve officers. If we are to have adequately trained Reserve officers, we should have more regiments in which to train them. All of my investigations point to the need for more Regular Army antiaircraft regiments. They have not been asked for by the War Department, and General Craig has told the committee that it was the plan to organize 19 additional antiaircraft regiments in the National Guard—this to be done gradually. If that is done, there will be 5 partially active Regular Army regiments and 29 National Guard regiments. Such a ratio will aggravate the existing inadequacy of the training facilities. I feel that one reason for not asking for additional men for that purpose was the recognized need for increasing the Panama Canal garrison. That certainly was needed. However, if we are to be trained for the defense of the continental United States, we should start soon to establish the required schools, which in this case are antiaircraft regiments.

From a layman's point of view it would seem that at least half of the active antiaircraft regiments in the United States should be Regular Army organizations. If that be true, then 12 of the 19 remaining to be organized to complete the 34 in the present program should be manned by Regular Army soldiers and the other 7 should be National Guard.

Not a basis for my contention, but as a matter of interest, I would like to quote from a recent issue of a British publication. Under the heading of "Guarding London" appears the following:

> It is of vast relief to know that the A. A. defense of London has been strengthened by the addition of two regular regiments of antiaircraft artillery, withdrawn from Lichfield. There will now be permanent watchers of our air frontier in that locality, and no form of surprise attack can now find us completely off guard. However well trained and eager the territorial A. A. divisions are, and however well equipped, they consist of citizens who are engaged in normal avocations and who cannot drop the tools of their employment to man the guns and such like in the twinkling of an eye.
>
> But it is in the very nature of air attack that it can come with the suddenness of a chimney gust as a preliminary to the gale which follows on, and for our sky to be unguarded at the moment might augur ill for the city which lies below. Every frontier has its frontier posts, always armed and at the ready, so why should our own air frontier be different?

In the last issue of the magazine Army Ordnance there was a timely article written by an instructor at the Command and General Staff School at Fort Leavenworth, Maj. T. R. Phillips. In the article are quoted notes made by General Mordacq while he was military adviser to Prime Minister Clemenceau. It appears that M. Clemenceau preferred to use planes for local defense rather than antiaircraft artillery. The general finally convinced him of his error. In one of the latter paragraphs of the article the author writes:

> In my opinion, the erroneous conception of antiaircraft defense against which General Mordacq fought so vigorously, still prevails in the United States. But where General Mordacq had one man to convince of the error of his conceptions we have a nation to educate.

This, my first contribution to that education, I recognize as small. But I believe it important for us to think along these lines. [Applause.]

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. JACOBSON, for 5 days, on account of official business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 38. An act for the relief of Curtis Jett; to the Committee on Military Affairs.

S. 70. An act to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi; to the Committee on the Judiciary.

S. 197. An act to amend the Judicial Code in respect to claims against the United States for just compensation; to the Committee on the Judiciary.

S. 289. An act for the relief of the West Virginia Co.; to the Committee on Claims.

S. 431. An act for the relief of Mrs. Quitman Smith; to the Committee on Claims.

S. 474. An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.; to the Committee on the Judiciary.

S. 821. An act for the relief of Charles L. Kee; to the Committee on Claims.

S. 891. An act for the relief of J. C. Grice; to the Committee on Claims.

S. 919. An act for the relief of William Boyer; to the Committee on Claims.

S. 1016. An act to authorize reimbursement of appropriations on account of expenditures in connection with disposition of old material, condemned stores, etc.; to the Committee on Expenditures in the Executive Departments.

S. 1020. An act to authorize the purchase of equipment and supplies for experimental and test purposes; to the Committee on Military Affairs.

S. 1088. An act to authorize the Administrator of Veterans' Affairs to exchange certain property located at Veterans' Administration facility, Tuskegee, Ala., title to which is now vested in the United States, for certain property of the Tuskegee Normal and Industrial Institute; to the Committee on World War Veterans' Legislation.

S. 1096. An act to amend section 8c of the Agricultural Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples; to the Committee on Agriculture.

S. 1109. An act to amend the act entitled "An act to aid the several States in making or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds; to the Committee on Roads.

S. 1164. An act for the relief of Nadine Sanders; to the Committee on Claims.

S. 1275. An act to amend the United States Housing Act of 1937, and for other purposes; to the Committee on Banking and Currency.

S. 1339. An act for the relief of Grace S. Taylor; to the Committee on Claims.

S. 1416. An act to make the provisions of the Employees' Compensation Act applicable to civil officers of the United States; to the Committee on the Judiciary.

S. 1487. An act for the relief of the Postal Telegraph-Cable Co.; to the Committee on Claims.

S. 1569. An act to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

S. 1688. An act for the relief of Joseph W. Parse; to the Committee on Claims.

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death; to the Committee on the Judiciary.

S. 1796. An act to amend the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

S. 1871. An act to prevent pernicious political activities; to the Committee on the Judiciary.

S. 1882. An act for the relief of Thomas A. Ross; to the Committee on Claims.

S. 1886. An act to extend to June 16, 1942, the period within which certain loans to executive officers of member banks of the Federal Reserve System may be renewed or extended; to the Committee on Banking and Currency.

S. 1899. An act to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General; to the Committee on Interstate and Foreign Commerce.

S. 1985. An act to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937; to the Committee on Roads.

S. 2050. An act to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18, of February 23, 1865; to the Committee on Public Buildings and Grounds.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 136. An act to authorize contingent expenditures, United States Coast Guard Academy;

H. R. 534. An act for the relief of Hallie H. Woods;

H. R. 590. An act for the relief of Macey N. Bevan;

H. R. 2056. An act for the relief of the Shipowners & Merchants Towboat Co., Ltd.;

H. R. 2064. An act for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings;

H. R. 2073. An act to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes;

H. R. 2595. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.;

H. R. 3655. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931;

H. R. 3946. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1939 Reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939, and for other purposes;

H. R. 4830. An act to amend the act approved April 27, 1937, entitled "An act to simplify accounting;" and

H. R. 5482. An act to increase the authorization for appropriations for the administration of State unemployment compensation laws.

The SPEAKER also announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy;

S. 829. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

S. 911. An act for the relief of Roscoe C. Prescott, Howard Joslyn, Arthur E. Tuttle, and Robert J. Toulouse; and

S. J. Res. 90. Joint resolution to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee."

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 3 o'clock and 35 minutes p. m. the House adjourned until tomorrow, Tuesday, April 18, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Tuesday, April 18, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by Mrs. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (by Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (by Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States

(by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by Mr. LUDLOW); House bill 4232, to limit the traffic in war munitions, to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements and materials of war by vessels of the United States for the use of Japan, to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

Open hearings will continue from Tuesday, April 18, to April 26, beginning at 10 a. m. each day, with the exception of Saturday, April 22.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Through Routes Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, April 18, 1939. Business to be considered: Hearing on H. R. 3400, through-routes bill.

There will be a meeting of the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Wednesday, April 26, 1939. Business to be considered: Hearing on S. 1302, petroleum shipments.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m. Tuesday, April 18, 1939, for the consideration of H. R. 4929, to amend the act of June 23, 1938.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 19, 1939, at 10:30 a. m., for the consideration of H. R. 1958, H. R. 2564, H. R. 2777, H. R. 4080, H. R. 4096, H. R. 4498, H. R. 5409, and H. J. Res. 117.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. on Tuesday, April 25, 1939, for the consideration of H. R. 1827, to allow moving expenses to employees of the Railway Mail Service, and H. R. 4322, giving clerks in the Railway Mail Service the benefits of a holiday known as Armistice Day.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, April 19, 1939, at 10 a. m., the Committee on Merchant Marine and Fisheries will resume hearings on the bill (H. R. 5130) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

This is to advise all interested parties that the features of this bill regulating terminal and port charges will not be considered on the 19th, and witnesses who desire to appear on this phase of the bill need not come. However, if there are present on the 19th any witnesses who wish to testify on this subject, they will be heard at that time rather than inconvenience them by requiring them to testify later.

On Tuesday, April 25, 1939, at 10 a. m., the committee will hold public hearings on the following bills: H. R. 2383, H. R. 2543, H. R. 2558, to increase further the efficiency of the Coast Guard by authorizing the retirement, under certain conditions, of enlisted personnel thereof with 20 or more years of service.

On Wednesday, April 26, 1939, at 10 a. m., the following bills: H. R. 4592, allowing all registered vessels to engage in the whale fishery; H. R. 4593, relating to the whale fishery.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

636. A letter from the Archivist of the United States, transmitting list of motion-picture films, consisting of two items, among the archives and records of the Department of the Treasury, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

637. A letter from the Archivist of the United States, transmitting list of motion-picture films, consisting of 59 items, among the archives and records of the Department of the Interior, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

638. A letter from the Archivist of the United States, transmitting list of sound recordings, consisting of 1,000 items, among the archives and records of the Department of Agriculture, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

639. A letter from the Archivist of the United States, transmitting list of papers, consisting of 72 items, among the archives and records of the Board of Governors of the Federal Reserve System, which that agency has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

640. A letter from the Archivist of the United States, transmitting list of papers, consisting of eight items, among the archives and records of the Works Progress Administration, which that agency has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

641. A letter from the Archivist of the United States, transmitting list of papers, consisting of four items, among the archives and records of the Tennessee Valley Authority, which that agency has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

642. A letter from the Archivist of the United States, transmitting list of motion-picture films, consisting of one item, heretofore placed in his official custody by the Department of the Interior, and recommended by him for destruction or other effective disposition; to the Committee on the Disposition of Executive Papers.

643. A letter from the Archivist of the United States, transmitting list of motion-picture films in the custody of The National Archives, and recommended by him for destruction or other effective disposition; to the Committee on the Disposition of Executive Papers.

644. A letter from the Archivist of the United States, transmitting list of motion-picture films, consisting of 62 items, donated to and now in the custody of the National Archives, and recommended by him for destruction or other effective disposition; to the Committee on the Disposition of Executive Papers.

645. A letter from the Archivist of the United States, transmitting list of motion-picture films, consisting of two items among the archives and records of the United States Food Administration, now in the custody of the National Archives, and recommended by him for destruction or other effective disposition; to the Committee on the Disposition of Executive Papers.

646. A letter from the Archivist of the United States, transmitting list of sound recordings, consisting of 10 items, among the archives and records of the War Industries Board, now in the custody of The National Archives, and recommended by him for destruction or other effective

disposition; to the Committee on the Disposition of Executive Papers.

647. A letter from the Acting Secretary of the Treasury, transmitting draft of a proposed bill authorizing the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes; to the Committee on Public Buildings and Grounds.

648. A letter from the Acting Secretary of the Interior, transmitting draft of a proposed bill for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge; to the Committee on Claims.

649. A letter from the Chairman of the Central Statistical Board, transmitting draft of a proposed bill to amend the act establishing the central statistical committee and the Central Statiscal Board; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SABATH: Committee on Rules. House Resolution 165. A resolution providing for the consideration of H. R. 3325, a bill to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised; without amendment (Rept. No. 408). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5488. A bill to provide for the widening of Wisconsin Avenue in the District of Columbia, and for other purposes; without amendment (Rept. No. 409). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 5753. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; with amendment (Rept. No. 410). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYKIN:

H. R. 5781. A bill to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.; to the Committee on Interstate and Foreign Commerce.

By Mr. HARNESS:

H. R. 5782. A bill to provide for the exclusion from the United States of persons who have been, or who may hereafter be, convicted of desertion from the military or naval forces of the United States while the United States is at war; to the Committee on Military Affairs.

By Mr. HOLMES:

H. R. 5783. A bill to lower the rate of tax imposed with respect to the transfer of certain small-game guns; and to lower the rate of tax imposed upon manufacturers and dealers in such guns; to the Committee on Ways and Means.

By Mr. McGEHEE:

H. R. 5784. A bill to provide for the conservation and transfer of accumulated sick leave and vacation time due classified civil-service employees who succeed to the position of postmaster, and for other purposes; to the Committee on the Civil Service.

H. R. 5785. A bill granting the consent of Congress to the State of Mississippi to construct and operate a free highway bridge across Pearl River at or near Georgetown, Miss.; to the Committee on Interstate and Foreign Commerce.

H. R. 5786. A bill granting the consent of Congress to the State of Mississippi or Madison County, Miss., to construct, maintain, and operate a free highway bridge across Pearl River at or near Ratliffs Ferry in Madison County, Miss.; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON:

H. R. 5787. A bill to provide for the acquisition of drydock facilities for the United States Maritime Commission on Puget Sound in the city of Seattle and County of King, State of Washington, and to authorize the construction of certain public works, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 5788. A bill to amend the present law relating to the delivery of ships' manifests to collector of customs by excluding Sundays and holidays from the time within which such delivery may be made by the master; to the Committee on Merchant Marine and Fisheries.

H. R. 5789. A bill to amend the present law relating to the delivery of ships' manifests to collectors of customs by excluding Sundays and holidays from the time within which such delivery may be made by the master; to the Committee on Merchant Marine and Fisheries.

By Mr. SABATH:

H. R. 5790. A bill to amend section 4878 of the United States Revised Statutes, as amended, relating to burials in national cemeteries; to the Committee on Military Affairs.

By Mr. SCHULTE:

H. R. 5791. A bill to amend the Communications Act of 1934 so as to prohibit and penalize the unauthorized mechanical reproduction of music and other wire- and radio-program material; to the Committee on Interstate and Foreign Commerce.

H. R. 5792. A bill to impose an excise tax on stores in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SMITH of Connecticut:

H. R. 5793. A bill to incorporate the Military Order of the Purple Heart; to the Committee on the Judiciary.

By Mr. TINKHAM:

H. R. 5794 (by request). A bill to provide for the payment of $100 per month to all American soldiers and sailors who have been awarded the Congressional Medal of Honor as an award of a deed or deeds of valor at the time of, or in connection with, armed conflict with the enemy in time of war; to the Committee on Military Affairs.

By Mr. CARTWRIGHT:

H. R. 5795. A bill to provide reamortization of land bank commissioner loans which have heretofore been made by the land bank commissioner and which provide for liquidation of principal and interest in a 10- or 13-year period; to the Committee on Agriculture.

By Mr. COOLEY:

H. R. 5796. A bill to amend the Line Selection Act (Public No. 703, H. R. 9997, dated June 23, 1938); to the Committee on Naval Affairs.

By Mr. DITTER:

H. R. 5797. A bill to prohibit the receiving of any compensation from a foreign government for publicity or propaganda purposes; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 5798. A bill to provide for the reinterment of the remains of Dr. Felix P. Wierzbicki in the national cemetery at San Francisco, Calif.; to the Committee on Military Affairs.

By Mr. HORTON:

H. R. 5799. A bill to amend section 35 of an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920, as amended, and for other purposes; to the Committee on the Public Lands.

By Mr. McANDREWS:

H. R. 5800. A bill providing for the resumption of jurisdiction over certain navigable waters of Lake Michigan by the United States; to the Committee on Rivers and Harbors.

By Mr. RANDOLPH:

H. R. 5801. A bill to grant permission for the construction, maintenance, and use of a certain underground conduit for electrical lines in the District of Columbia; to the Committee on the District of Columbia.

By Mr. VINSON of Georgia:

H. R. 5802. A bill granting the retired pay of a chief pharmacist's mate, United States Navy; to the Committee on Naval Affairs.

By Mr. LECOMPTE:

H. Res. 168. Resolution for the relief of Waldo W. Young; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 3, with reference to the principle of State ownership and control of both navigable and nonnavigable waters of the State; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New Hampshire, memorializing the President and the Congress of the United States to consider their resolution with reference to old-age security, known as the General Welfare Act of 1939; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 5803. A bill for the relief of Clyde Equipment Co.; to the Committee on Claims.

By Mr. ARNOLD:

H. R. 5804. A bill granting a pension to Lawrence A. Golden; to the Committee on Invalid Pensions.

By Mr. BOYKIN:

H. R. 5805. A bill for the relief of Knute E. Nelson; to the Committee on Claims.

By Mr. BROWN of Ohio:

H. R. 5806. A bill granting an increase of pension to Morrow B. Wilson; to the Committee on Pensions.

By Mr. ELLIOTT:

H. R. 5807. A bill granting a pension to Mabel C. Cook; to the Committee on Invalid Pensions.

H. R. 5808. A bill for the relief of Gladys Forbes, attorney in fact for the heirs of George P. Eddy; to the Committee on Claims.

By Mr. ELSTON:

H. R. 5809. A bill to provide refund of certain duty; to the Committee on Claims.

H. R. 5810. A bill granting a pension to Mary A. Mears; to the Committee on Invalid Pensions.

H. R. 5811. A bill granting a pension to Dona Citizen; to the Committee on Invalid Pensions.

By Mr. ENGLEBRIGHT:

H. R. 5812. A bill for the relief of Marguerite P. Carmack; to the Committee on Claims.

By Mr. HARTER of New York:

H. R. 5813. A bill for the relief of Joseph Miller (also known as Joseph Mille); to the Committee on the Judiciary.

By Mr. JARRETT:

H. R. 5814. A bill for the relief of R. Madge Williams; to the Committee on Claims.

By Mr. JOHNSON of Illinois:

H. R. 5815. A bill for the relief of Clifford Smithers; to the Committee on Claims.

By Mr. KELLER:

H. R. 5816. A bill to admit Ernst Brandes permanently to the United States; to the Committee on Immigration and Naturalization.

H. R. 5817. A bill for the relief of William T. Simmons; to the Committee on Naval Affairs.

H. R. 5818. A bill for the relief of Jesse T. Zappa; to the Committee on Military Affairs.

By Mr. LANDIS:

H. R. 5819. A bill for the relief of Ernest H. Barekman; to the Committee on Military Affairs.

By Mr. LECOMPTE:

H. R. 5820. A bill granting a pension to Susan Melugin; to the Committee on Invalid Pensions.

H. R. 5821. A bill granting an increase of pension to Eva P. Black; to the Committee on Invalid Pensions.

By Mr. LESINSKI:

H. R. 5822. A bill for the relief of John Henry Mollett, May Marion Mollett, and Vera May Mollett; to the Committee on Immigration and Naturalization.

By Mr. McGEHEE:

H. R. 5823. A bill for the relief of Morrissey Construction Co.; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 5824. A bill for the relief of Grace Adelaide Armstrong; to the Committee on Military Affairs.

By Mr. MAPES:

H. R. 5825. A bill granting an increase of pension to Maella L. Morris; to the Committee on Invalid Pensions.

By Mr. PIERCE of New York:

H. R. 5826. A bill granting an increase of pension to Mary Catherine Green; to the Committee on Invalid Pensions.

By Mr. REES of Kansas:

H. R. 5827. A bill to authorize the cancelation of deportation proceedings in the case of John L. Harder and children, Paul William Harder, Irvin W. Harder, Edna Justina Harder, Elsie Anna Harder, and Elizabeth Harder; to the Committee on Immigration and Naturalization.

By Mr. SECREST:

H. R. 5828. A bill granting a pension to Lily C. Kern; to the Committee on Invalid Pensions.

By Mr. SPRINGER:

H. R. 5829. A bill granting a pension to Charles Smith; to the Committee on Invalid Pensions.

H. R. 5830. A bill granting an increase of pension to Julia P. Kiess; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee:

H. R. 5831. A bill granting a pension to Conner Brown; to the Committee on Invalid Pensions.

By Mr. THOMAS of Texas:

H. R. 5832. A bill granting a pension to Leonard Clifton McCurry; to the Committee on Invalid Pensions.

By Mr. THORKELSON:

H. R. 5833. A bill to confer jurisdiction upon the United States District Court for the District of Columbia to hear and determine the claims of B. M. Gancy against the United States resulting from the passage of the Tydings-McDuffie Act; to the Committee on Claims.

By Mr. KING:

H. R. 5834. A bill for the relief of the heirs of Capt. Sam Manu (also known as Sam Mana); to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2525. By Mr. ANDERSON of California: Resolution adopted by the Construction and General Laborers Local Union No. 389 and signed by A. W. Claudine, president, and Charles E. Brown, secretary, opposing building construction under the Works Progress Administration program; to the Committee on Appropriations.

2526. By Mr. BOLLES: Petition of sundry citizens of Racine, Wis., favoring a neutrality bill which will definitely keep the United States out of all foreign entanglements; to the Committee on Foreign Affairs.

2527. Also, petition of sundry citizens of Janesville, Wis., favoring a neutrality bill which will definitely keep the United States out of all foreign entanglements; to the Committee on Foreign Affairs.

2528. By Mr. ELSTON: Petition of the Federation of Flat Glass Workers of America, Cambridge Tile Local, No. 59, Cin-

cinnati, Ohio, submitted by Catherine Meyer, recording secretary, protesting against the Walsh-Green bill (Senate 1000); to the Committee on Education.

2529. By Mr. ENGEL: Petition of Rev. Edward L. Brooks, J. B. Hopkins, James A. Porter, and others, of Benzie County, Mich., remonstrating against sale of war materials to Japan; to the Committee on Foreign Affairs.

2530. By Mr. MARTIN J. KENNEDY: Petition of Plain City Lodge, No. 123, International Association of Machinists, Paducah, Ky., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2531. Also, petition of Cumberland Lodge, No. 212, International Association of Machinists, Cumberland, Md., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2532. Also, petition of Marble City Lodge, No. 789, Brotherhood of Railway and Steamship Clerks, West Rutland, Vt., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2533. Also, petition of L. V. Buffalo Creek System, Division No. 15, the Order of Railroad Telegraphers, Geneva, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2534. Also, petition of Local Federation, No. 10, Erie Railroad System Lines, Paterson, N. J., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2535. Also, petition of Local Union No. 378, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, Minden, La., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2536. Also, petition of System Council, No. 9, Erie Railway, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, Ridgewood, N. J., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2537. Also, petition of Middletown (N. Y.) Lodge, No. 601, International Association of Machinists, urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2538. Also, petition of Lever Brothers Co., Boston, Mass., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2539. Also, petition of the P. J. Noyes Co., Lancaster, N. H., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2540. Also, petition of A. Zerega's Sons, Inc., Brooklyn, N. Y., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2541. Also, petition of George W. Button Corporation, New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2542. Also, petition of American Popcorn Co., Sioux City, Iowa, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2543. Also, petition of Fezandie & Sperrle, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2544. Also, petition of C. E. Jamieson & Co., Detroit, Mich., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2545. Also, petition of P. Duff & Sons, Inc., Pittsburgh, Pa., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2546. Also, petition of the Arner Co., Inc., Buffalo, N. Y., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2547. Also, petition of Richard Hudnut, New York City, urging passage of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2548. Also, petition of G. F. Heublein & Bro., Hartford, Conn., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2549. Also, petition of G. S. Stoddard & Co., Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2550. Also, petition of Irwin, Neisler & Co., Decatur, Ill., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2551. Also, petition of Hoosier Pharmacal Co., Indianapolis, Ind., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2552. Also, petition of Wildroot Co., Inc., Buffalo, N. Y., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2553. Also, petition of Kolmar Laboratories, Milwaukee, Wis., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2554. By Mr. KEOGH: Petition of the Newspaper Guild of New York, New York City, with reference to the National Labor Relations Act; to the Committee on Labor.

2555. Also, petition of the Saratoga classroom teachers, Wilson, N. C., concerning the Harrison-Thomas-Larrabee bill; to the Committee on Education.

2556. Also, petition of Hanson & Orth, New York City, concerning Senate bill 1960 and House bill 5130; to the Committee on Merchant Marine and Fisheries.

2557. Also, petition of the Phoenix Metal Cap Co., Brooklyn, N. Y., concerning the Patman bill; to the Committee on Ways and Means.

2558. Also, petition of Local No. 148, Pneumatic Tube Employees, United Federal Workers of America, New York City, favoring the passage of House bill 3664 and Senate bill 1314; to the Committee on the Civil Service.

2559. Also, petition of the Industrial Home for the Blind, Brooklyn, N. Y., favoring the passage of the O'Day bill (H. R. 5136); to the Committee on the Library.

2560. Also, petition of the Wheeling Steel Corporation, Wheeling, W. Va., concerning the National Labor Relations Act; to the Committee on Labor.

2561. Also, petition of the Manhattan General Advertising Co., Inc., New York City, concerning the Lea bill (H. R. 5630) to postpone the effective date of the labeling provisions of the Federal Food, Drug, and Cosmetic Act to January 1, 1940; to the Committee on Interstate and Foreign Commerce.

2562. Also, petition of the Women's International League for Peace and Freedom, Pittsburgh, Pa., concerning neutrality legislation; to the Committee on Foreign Affairs.

2563. By Mr. MARSHALL: Petition of Audra Limbert, secretary-treasurer of Ohio General Welfare Association, urging no further delay in disposition of House bill 11 by referring it to the House for favorable consideration; to the Committee on Ways and Means.

2564. By Mr. PFEIFER: Petition of Hanson & Orth, New York City, concerning House bill 5130 and Senate bill 1960; to the Committee on Merchant Marine and Fisheries.

2565. Also, petition of Manhattan General Advertising Co., Inc., New York City, concerning the Lea bill (H. R. 5630); to the Committee on Interstate and Foreign Commerce.

2566. Also, petition of the Pneumatic Tube Employees, Local 148, New York City, favoring Senate bill 1314 and House bill 3664; to the Committee on the Civil Service.

2567. Also, petition of the Women's International League for Peace and Freedom, Mount Vernon (N. Y.) Branch, concerning neutrality legislation; to the Committee on Foreign Affairs.

2568. Also, petition of the American Legion Auxiliary, Columbia University Post Unit, New York City, concerning veterans' legislation, national defense, etc.; to the Committee on Military Affairs.

2569. Also, petition of the Phoenix Metal Cap Co., Brooklyn, N. Y., concerning the Patman chain-store bill; to the Committee on Ways and Means.

2570. Also, petition of the Women's International League for Peace and Freedom, District of Columbia Branch, concerning neutrality legislation; to the Committee on Foreign Affairs.

2571. Also, petition of the League of Nations Association, Inc., Southern California Branch, concerning the Thomas and Geyer amendments to pending neutrality legislation; to the Committee on Foreign Affairs.

2572. By Mr. SANDAGER: Petition of the Disabled American Veterans of the World War, Department of Rhode Island, opposing any transfer of the United States Employment Service and Veterans' Placement Service to any other department, and urging support of House bill 2386, favoring the retention of the United States Employment Service and the Veterans' Placement Service as now constituted; to the Committee on Labor.

2573. Also, memorial of the General Assembly of the State of Rhode Island, to secure for all persons on the Works Progress Administration rolls in each of the cities and towns of Rhode Island an equalizing of the rate of wage per hour as payment for services rendered; to the Committee on Labor.

2574. By Mr. SCHIFFLER: Petition of Audrey G. Ehni, oracle, Prosperity Camp, No. 2773, Royal Neighbors of America, Wheeling, W. Va., urging that an amendment to the Social Security Act be adopted so that their camp would not be considered an employer and its paid officers employees; to the Committee on Ways and Means.

2575. By Mr. THILL: Letter of certain citizens of Milwaukee, Wis., urging neutrality legislation in accordance with that introduced by Senator THOMAS of Utah; to the Committee on Foreign Affairs.

2576. By Mr. WOLFENDEN: Resolution of the House of Representatives, General Assembly of the Commonwealth of Pennsylvania, suggesting that action should be taken by the Federal Government to prevent the importation of such grains and foodstuffs, cattle and meat products, the sale of which in American markets contributes so largely to the economic plight of the American farmer; to the Committee on Ways and Means.

2577. By the SPEAKER: Petition of the City Council of the City of Minneapolis, Minn., petitioning consideration of their resolution with reference to tax public securities either by levying a tax on the income thereof or otherwise; to the Committee on Ways and Means.

2578. Also, petition of the Council of the City of New York, N. Y., petitioning consideration of their resolution with reference to Works Progress Administration deficiency appropriation; to the Committee on Appropriations.

2579. Also, petition of Bertha Dables, of San Francisco, Calif., and others, petitioning consideration of their resolution with reference to Works Progress Administration deficiency appropriation; to the Committee on Appropriations.

2580. Also, petition of the Steel Workers Organizing Committee, Birmingham, Ala., petitioning consideration of their resolution with reference to the National Labor Relations Act; to the Committee on Labor.

2581. Also, petition of the Massachusetts State Board of Housing, Boston, Mass., petitioning consideration of their resolution with reference to the Wagner-Steagall bill (S. 591) on housing projects; to the Committee on Banking and Currency.

2582. Also, petition of the National Federation of Federal Employees, Local No. 600, New Orleans, La., petitioning consideration of their resolution with reference to discontinuance or dissolution of the Inland Waterways Corporation; to the Committee on Interstate and Foreign Commerce.

2583. Also, petition of the Baltimore Association of Commerce, Baltimore, Md., petitioning consideration of their resolution with reference to the United States to return the United States frigate *Constellation* to Baltimore; to the Committee on Naval Affairs.

2584. Also, petition of the New York State Hairdressers and Cosmetologists Association, Inc., New York, N. Y., petitioning consideration of their resolution with reference to the Social Security Act; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 18, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We thank Thee, O Lord God, for the glimpse of eternal and unwearied love that peers forth from the shadow of the cross; enable us to give to Thee our unwavering love and heart's devotion. Stir the divinity within us that we may be true to ourselves, to our fellow men, and true to our Heavenly Father. O Spirit of light and truth, teach us Thy holy way in all wisdom; inspire us with that heroism which is the most heroic. Do Thou be with us in every disappointment, enlighten us in every shadow, and know us in every darkness. Heavenly Father, be with our President day by day. Grant that his appeal for peace among all nations, couched in such a human passion, may be felt around the world. Oh, may all problems be met, answered, and solved so that the night of fear shall roll away and peace break on all lands in its full glory. Oh, come, Prince of Peace, and may Thy broken heart heal the breaking heart of the whole human family. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 224. Joint resolution to authorize the painting of the signing of the Constitution for placement in the Capitol Building.

The message also announced that the Senate had ordered that the Secretary be directed to request the House to return to the Senate the bill (S. 1871) entitled "An act to prevent pernicious political activities."

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4852. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5219. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

Department of Agriculture.
Department of the Interior.
Department of the Treasury.
Board of Governors of the Federal Reserve System.
The National Archives.
The Tennessee Valley Authority.
Works Progress Administration.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD by inserting a speech delivered by Mr. J. Edgar Hoover on the Cost of Crime.

The SPEAKER. Is there objection?

There was no objection.

MRS. OTELIA COMPTON

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SECCOMBE. Mr. Speaker, it is a pleasure, as well as a privilege and an honor, to have the American mothers' national committee of the Golden Rule Foundation of New York announce a few days ago that Mrs. Otelia Compton, 80 years of age, of Wooster, Ohio, has been selected as the 1939 "American mother." Therefore, as the Congressman from that district, I am both happy and proud to have this distinction come to such a wonderful mother, and unsolicited. Mrs. Compton has an outstanding record as a successful mother, and the choice of this American mother is based on the following factors:

An outstanding record as a successful mother, a standard not fixed by the size of her family but by the character, personality, and achievements of her individual children.

Embodiment of those traits most highly regarded in mothers: Courage, moral strength, patience, affection, kindness, understanding, and home-making ability.

Ability to make friends readily and to meet people easily.

A sense of social and world relationship that has caused her to find time outside her home for civic service.

Mrs. Compton's distinguished sons and daughter are:

Prof. Arthur H. Compton, of the University of Chicago, 1927 winner of the Nobel prize for physics.

Dr. Karl T. Compton, president of the Massachusetts Institute of Technology.

Wilson M. Compton, lawyer-economist and general manager of the National Lumber Manufacturers' Association.

Mrs. Mary Rice, wife of Dr. C. Herbert Rice, principal of Christian College at Allahabad, India, and herself a Presbyterian missionary.

The four children have a total of 31 college and university degrees.

Her husband was the late Elias Compton, who taught philosophy at Wooster College for 41 years.

This great American mother has an honorary doctor of laws degree from Western College for Women "for outstanding achievement as wife and mother of Comptons."

I am positive that the Congress of the United States as well as the entire United States Government join with me in paying tribute to Mrs. Compton for having achieved this high honor, and in her many recent interviews Mrs. Compton has stated that if every man in high position would talk less about war and about this great Government of ours becoming involved in foreign entanglements and give more thought to those in need and the millions of unemployed, this would be a more peaceful and restful country in which to live and raise our children. Therefore may I say to my colleagues that I am positive that this is the spirit of every American mother today as expressed by Mrs. Compton, that "America does not want war." I think this would be sound advice to go by for my colleagues, both in the House and in the Senate, and I am certain should be the feelings of the President of the United States. [Applause.]

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Milwaukee Journal of April 13, 1939, entitled "Who's War Will It Be?"

The SPEAKER. Is there objection?

There was no objection.

HISSING IN HOUSE GALLERY

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I have just sent the following telegram to Mr. Lowell Thomas, which is self-explanatory:

WASHINGTON, D. C., *April 18, 1939.*

LOWELL THOMAS, Esq.,
Rockefeller Center, New York, N. Y.:

As one of your radio fans and admirers I was much amused at your statement last night that my criticism of the President's foreign policy had been extensively hissed in the House gallery. One reporter wrote this up as a sensational story. It is a perversion of the facts, utterly false, and typical of the war hysteria that is sweeping the country. A Communist, crackpot, or other fanatic hissed, which few Members of the House even heard. I would appreciate it if you would in your radio talk tonight read this telegram to show what can happen in these days of war propaganda and hysteria. As for me, I do not propose to give or ask any quarter in my efforts to keep our country out of war. I shall continue the fight both in the Congress and elsewhere to oppose all warmongers and to keep America out of foreign entanglements, military alliances, and foreign wars.

HAMILTON FISH.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the bill H. R. 5219, which the Clerk will report by title, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. TAYLOR of Colorado, Mr. WOODRUM of Virginia, Mr. CANNON of Missouri, Mr. LUDLOW, Mr. THOMAS S. MCMILLAN, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 4852, making appropriations for the Department of the Interior, for the fiscal year ending June 30, 1940, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. The gentleman from Colorado asks unanimous consent to take from the Speaker's table the bill H. R. 4852, the Interior Department appropriation bill, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. TABER. Mr. Speaker, I reserve the right to object. There are some very large items of increase in this bill that should be kept down. There is one item of $13,000,000, I understand, new money, as I remember. I wonder if it would be possible to have an understanding that the House conferees will not agree to that item.

Mr. TAYLOR of Colorado. Mr. Speaker, I shall answer the gentleman by saying that I shall ask to have appointed as conferees all of the members of the Subcommittee on Interior Department Appropriations; that those members are very much inclined toward economy, and I assume that they will continue that attitude. I cannot promise what they will do.

Mr. TABER. I would hope that if this bill goes to conference that large item of increase, $13,000,000, will be brought back for a separate vote.

Mr. TAYLOR of Colorado. There is no separate item of $13,000,000. There are two $5,000,000 items and some other large items of lesser amounts.

Mr. TABER. Those items should all be brought back, in my opinion, for a separate vote. I shall not ask that as a condition, but I do think that should be done before the House agrees to anything of that kind.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Chair appointed the following conferees: Mr. TAYLOR of Colorado, Mr. JOHNSON of Oklahoma, Mr. SCRUGHAM, Mr. FITZPATRICK, Mr. LEAVY, Mr. RICH, Mr. CARTER, and Mr. WHITE of Ohio.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an editorial from the Fort Wayne News-Sentinel on neutrality.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. RANKIN. Mr. Speaker, reserving the right to object, this is an editorial from what paper?

Mr. GILLIE. The Fort Wayne News-Sentinel.

Mr. RANKIN. On what subject?

Mr. GILLIE. On neutrality.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an editorial from the South Bend Tribune.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. RANKIN. Mr. Speaker, reserving the right to object, including an editorial from what paper?

Mr. GRANT of Indiana. The South Bend Tribune.

Mr. RANKIN. On what subject?

Mr. GRANT of Indiana. On W. P. A. administration.

Mr. RANKIN. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

THE N. L. R. A. SHOULD BE REPEALED—PARTS OF IT, WITH ADDITIONS, REENACTED

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, it is my contention that the N. L. R. A. should be repealed because it is unfair to the employer; that only a few of the very large corporations, only one of the individual employers—Ford—are able financially to resist assaults by a powerful labor organization, aided by the Board; that many employers can be either financially ruined or coerced into collective-bargaining contracts by complaints filed by the Board. But that, to a still greater extent, the individual employee is at the mercy of labor organizations and the N. L. R. B.

Therefore my sympathies are primarily with the underdog, the employee, who needs protection not only against the employer who would treat him unjustly but protection from the labor organization, the labor organizer, who uses the law and the Board to collect tribute in the way of membership fees, dues, or special assessments for services neither rendered nor, if rendered, desired.

REASONS FOR REPEAL

It is my contention that the present National Labor Relations Act should be repealed in order that the Government may dispense with the services of the present personnel which has been attempting to interpret and enforce the act—this because the present personnel charged with the enforcement of the act has been so widely criticized that, whether this criticism be justified or not, there will be a lack of confidence in any decisions that the Board may make.

Decisions of a court, a semijudicial body, or an administrative board in which the public generally has no confidence will not tend either to establish authoritative precedents, invite appeal to its jurisdiction, or promote peace in those groups affected by the law which it is administering.

President Green, representative of some 3,000,000 employees, recently wrote:

> Through decisions clearly in favor of the C. I. O. and against the American Federation of Labor, the Board is working out the destruction of the American Federation of Labor. We do not ask the Board to favor the American Federation of Labor in any decisions rendered. All we have asked is that it be fair and just in its administration of the act and that it apply the act in a judicious way.

PARTS OF THE PRESENT LAW, WITH ADDITIONS, SHOULD BE REENACTED

So much of the present law as has been found to tend toward the accomplishment of the purpose for which it was enacted should be reenacted, with such additions as experience has demonstrated to be necessary to accomplish the original purpose of the act.

FOUNDATION OF ARGUMENT

The argument here presented rests upon the assumption that, to justify its existence, any act of Congress must be fair to all those who are affected by it; that it tend to accomplish the purpose for which it was enacted; that it should not destroy the right of free speech or a free press; that by it no person should be deprived of his liberty or of his property without due process of law.

DEFECTS OF THE PRESENT LAW

It is my contention:

First. That the act is unfair.

Second. That the act does not insure that employees may bargain collectively through representatives of their own choosing.

Third. That the act, as interpreted by the Board, deprives individuals of free speech and a free press.

Fourth. That the act, as interpreted and enforced by the Board, deprives the citizen of his liberty and of his property in violation of the fifth amendment.

Fifth. Upon the reenactment of the N. L. R. A. there should be incorporated within its terms the interpretations placed upon the present act by the Supreme Court, insofar as the same will aid in furthering the purpose of the act or in clarifying its terms, including, among others, the following:

(a) A provision that those engaging in sit-down strikes and the unlawful destruction of property lose their status as employees and need not be reemployed nor compensated for wages not earned after the commission of such acts (*N. L. R. B.* v. *Fansteel Metallurgical Corp.*, decided February 27, 1939, 83 U. S. (L. Ed.), 469).

(b) A provision that, when the employer and the employees' representatives have negotiated for a reasonable length of time, or where the positions of the parties are so diametrically opposed that there appears to be no reasonable hope of a compromise, the requirement as to collective bargaining has been satisfied (*N. L. R. B.* v. *Columbian Enameling & Stamping Co.*, decided February 27, 1938, 83 U. S. (L. Ed.) 480; *N. L. R. B.* v. *Sands Mfg. Co.*, decided February 27, 1939, 83 U. S. (L. Ed.) 488).

(c) A provision that the Board has no authority to inflict a punitive penalty upon the employer, except as that penalty is explicitly defined and imposed by the language of the act itself (*Consolidated Edison Co.* v. *N. L. R. B.*, decided December 5, 1938, 83 U. S. (L. Ed.) 131; 305 U. S. 197).

(d) A provision that the Board has no authority to invalidate a contract entered into between an employer and representatives for collective bargaining selected by a majority of the employees (*Consolidated Edison Co.* v. *N. L. R. B.*, decided December 5, 1938, 83 U. S. (L. Ed.) 131; 305 U. S. 197).

(e) That findings of fact by the Board will not be sustained unless they are supported by "evidence which is substantial, that is, affording a substantial basis of fact from which the fact in issue can be reasonably inferred" (*N. L. R. B.* v. *Columbian Enameling & Stamping Co.*, decided February 27, 1939, 83 U. S. (L. Ed.) 480; *Consolidated Edison Co.* v. *N. L. R. B.*, decided December 5, 1938, 83 U. S. (L. Ed.) 131; 305 U. S. 197).

(f) There should also be a provision, although the Supreme Court has not passed upon this proposition, that the unit from which representatives for collective bargaining are to be selected should be limited to one employer in one locality and shall be embraced within the limits of the municipal corporation in which the employees are working.

1. THE ACT IS UNFAIR

The act is unfair in that while its purpose is declared to be to lessen the causes of labor disputes affecting or burdening interstate or foreign commerce, and that while there can be no such disputes without opposing parties or interests, the act itself seeks only to further the interests of one of the disputants, in this case only those employees favored by the Board. This is shown by the fact that it in no instance defines or punishes or attempts to prevent any unfair labor practice on the part of an employee, labor organizer, or union official.

It does not prevent an employee or a labor organizer, a union official, or a union from making, either by speech or in writing, unfair, untrue statements, harmful to the employer and to other employees and other labor organizations, prior to or during the progress of a labor dispute.

The act, as interpreted by the Board, declares it to be an unfair labor practice for an employer to give any advice whatsoever to an employee as to the advisability of joining or not joining a labor organization.

It does not prevent one of the disputants speaking freely, truthfully, or falsely about the other, while, as interpreted, it punishes the other disputant for making any statement, no matter how truthful, about his adversary.

It prohibits coercion, intimidation, on the part of the employer. It does not prevent like practices by employees, union organizers, union officials, or unions.

The act is unfair in that it permits the Board to make orders, decisions, and certificates harmful to the employer, and on occasion to some employees, in representation cases, which are in their effect final, but which are not so regarded by the courts and from which there is no appeal (*Harris* v. *National Labor Relations Board*, 100 Fed. (2d) 197, decided by the Supreme Court on February 27, 1939, 59 S. C. R. 584; *American Federation of Labor et al.* v. *National Labor Relations Board*, decided by the Circuit Court of Appeals for the District of Columbia on Feb. 27, 1939).

The act is unfair in that it permits the Board to make orders in complaint cases which are harmful to the employer and which may on occasion accomplish the desired result and from which there is no appeal, for the reason that no application is made by the Board to the court for their enforcement (*Harris* v. *National Labor Relations Board*, 100 Fed. (2d) 197, decided by the Supreme Court on Feb. 27, 1939, 59 S. C. R. 584).

An illustration of this is found where the Board makes an order requiring the employer to refuse further recognition to a particular union.

The act is unfair in that it permits the Board to subject an employer unnecessarily to costly litigation.

If a final order be made in a complaint case and the Board appeals to the court for an enforcement of that order, or if the employer or a person intervening appeals to the court for the modification or the vacation of such final order, the Board may then withdraw its final order and proceed anew, and employer and any intervening parties may again be subjected to another hearing (*In re National Labor Relations Board (Republic)*, 304 U. S. 486; *Ford Motor Co.* v. *National Labor Relations Board*, 83 U. S. (Law Ed.) 229; 59 U. S. S. C. 80).

Nor has the Court as yet decided how many times the Board may vacate its final order when the validity of that order is challenged in court. It will be interesting to learn just how long this procedure of vacating final orders after a long period of time, during which employer, employees, and union have been at the mercy of the Board, can be continued.

The practice of permitting the Board to make a final order, to ask for its enforcement in the circuit court of appeals, and then to permit the vacation of that order which it had made, permit the Board to proceed anew and, for all that we know at this time, make another final order, again ask for its enforcement, and again, when challenged in the court, once more ask that the order be vacated, will eventually tax the patience of the people if not of the courts.

The courts are not responsible for that provision of the law which permits such practice. We here in Congress are.

The act is unfair in that it permits the Board to make an order which is not a final order and from which there is no appeal, but which forces the employees to bargain collectively through representatives not of their own choosing. An illustration of this is found where the Board, with or without coercion, induces the employer to enter into an agreement which is either a collective-bargaining agreement or which designates the representatives for collective bargaining (*Harris* v. *National Labor Relations Board*, 100 Fed. (2d) 197; 59 S. C. R. 584).

That the act is unfair and tends to defeat the purpose for which it was enacted is evidenced by the statement of Joseph A. Padway, general counsel for the American Federation of Labor, who, in arguing the case of the International Brotherhood of Electrical Workers in the Supreme Court on October 17, 1938, said:

> One would imagine by the position taken by the Board that section 7 was an absolute guaranty to all employees to self-organization. One would imagine that every employee under section 7 has the absolute right to freedom of choice in respect to representatives for the purpose of collective bargaining. Nothing can be further from the truth.

That the act is unfair is further evidenced by the testimony of one of its sponsors. Quite recently the A. F. of L. issued an official statement, in which, after stating—

> The American Federation of Labor is the friend of the National Labor Relations Act. We sponsored it in the beginning. We helped draft it. We contributed largely toward its enactment into law. It was really an American Federation of Labor measure, a primary part of our legislative program—

called upon the Members of Congress to stand by that organization in obtaining an amendment of the law, because the law, as interpreted by the Board and the courts, was being used to destroy the rights of the employees represented by the A. F. of L.

Specific instances of the unfair results which have occurred because of the enforcement of the law will be found in an article by William Green, published in the issue of Liberty dated March 18, 1939.

It is my judgment that the unfair provisions of the act, of which the A. F. of L. complains, will be remedied by the repeal of the act and the enactment of H. R. 4990.

2. THE ACT DOES NOT INSURE THAT EMPLOYEES MAY BARGAIN COLLECTIVELY THROUGH REPRESENTATIVES OF THEIR OWN CHOOSING

One of the methods employed by the act to diminish the causes of labor disputes affecting or burdening interstate or foreign commerce was to declare by section 7:

> Employees shall have the right * * * to bargain collectively through representatives of their own choosing.

That such is not the result of the act, let me again quote the statement of Mr. Padway:

> One would imagine by the position taken by the Board that section 7 was an absolute guaranty to all employees to self-organization. One would imagine that every employee under section 7 has the absolute right to freedom of choice in respect to representatives for the purpose of collective bargaining. Nothing can be further from the truth.

Representing as he does the organization which, in turn, represents between three and four million employees; having as he has had, a wide experience in labor litigation; knowing as he does the practical workings of the act; familiar as he is with the decisions of the Board; and being a lawyer of ability whose integrity has never been questioned, his testimony should be entitled to great weight.

Decisions of the circuit courts of appeals and of the United States Supreme Court show conclusively that employees can be deprived of bargaining collectively through representatives of their own choosing.

Representatives for collective bargaining are selected under section 9 of the act, which gives the Board authority to designate the unit, or, more accurately speaking, the election district, in which such representatives are to be chosen, and permits the Board to hold elections or to "otherwise" determine those who have been selected as representatives for collective bargaining in such unit or election district.

Cases arising under this section of the statute are known as representation cases. Under this section, the Board may make orders, findings, issue certificates, determining the election precinct or district and designating or certifying who was elected in those districts as collective bargaining representatives.

From the orders, findings, or certifications so made by the Board under this section there is no appeal, for the reason that such order, finding, or certification is not a "final order" (*Combustion Engineering Co., Inc.*, v. *National Labor Relations Board*, 95 Fed. (2d) 996; *United Employees Association* v. *National Labor Relations Board*, 96 Fed. (2d) 875; *New York Handkerchief Co.* v. *National Labor Relations Board*, 97 Fed. (2d) 1010; *Unlicensed Employees Collective Bargaining Agency of the Marine Department of Sabine Transportation Co. of Dover, Del., Inc.*, v. *National Labor Relations Board*, decided Nov. 12, 1937, by Circuit Court of Appeals, Fifth Circuit (unreported); *Commercial Telegraphers Union* v. *J. Warren Madden et al.*, decided Nov. 18, 1937, by Circuit Court of Appeals for the District of Columbia (unreported), Supreme Court decision on Dec. 6, 1937, 302 U. S. 654; *American Federation of Labor, International Longshoremen's Association, and Pacific Coast District International Longshoremen's Association No. 38* v. *National Labor Relations Board*, decided Feb. 27, 1939, by Circuit Court of Appeals for District of Columbia; *Harris* v. *National Labor Relations Board*, 100 Fed. (2d) 197, certiorari denied, U. S. Sup. Ct., Feb 27, 1939, 59 S. C. R. 584).

This being the situation, the Board may arbitrarily make a finding that the election for representatives for collective bargaining shall take place in a certain area; be held in certain units, either plant, craft, or employer.

The election having been held, the Board may, and has in at least one case which reached the Supreme Court, disregard the result of that election.

The Board has been able to deprive the members of an independent union which represented the majority in a unit designated by it of the right guaranteed by section 7.

In the Harris case, the Board designated as the bargaining unit for the employees of the American Cyanamid Co., which had two plants at Bound Brook, N. J., the employees of both plants, although in one plant—that of the Calco Chemical Co.—there were employees belonging to the Calcocraft and to an A. F. of L. affiliate, while in the other plant the employees were members of the A. F. of L.

The election, held in both plants, resulted in a majority of the employees in both plants declaring in favor of the Calcocraft union as the bargaining agent. Nevertheless, the Board continued in force the agreement of settlement with the A. F. of L. affiliate and the employer, by virtue of which the Board issued an order requiring the Calco Chemical Co. to withdraw recognition from the Calcocraft union, which represented a majority in the Calco Chemical Co., a majority in both plants, and to bargain collectively as to the employees of both plants with the A. F. of L.

The result of this decision was that a majority of the employees in the Calco Chemical Co. were deprived of their right to bargain collectively through representatives of their own choosing.

An appeal to the circuit court of appeals and later to the Supreme Court of the United States upheld the right of the Board on the theory that no "final order" having been made the Court was without jurisdiction to review the action of the Board (*Harris* v. *N. L. R. B.*, 100 Fed. (2d) 197; 59 S. C. R. 584).

On the west coast the Board designated as the bargaining unit or election precinct all that territory extending from Canada on the north to Mexico on the south. It included in this one unit the ports of Portland, Seattle, San Francisco, Los Angeles, and 25 smaller ports. "The decision united in 1 unit some 200 or more employers" and the Board "found that C. I. O. organizations represented a majority of the employees of the whole."

The employers accepted the certification without question and made a collective bargaining contract in which the C. I. O. was recognized as the exclusive representative of all west coast longshore employees.

A petition for rehearing by the A. F. of L. affiliates having been denied, that organization appealed to the court, the substance of the claim being, as stated by the court:

> In ascertaining the appropriate representative of the men the Board ignored the identity of separate employers or of separate ports and extended the employer unit to include the entire Pacific coast, with the result that the rival union was designated and certified as the sole representative, in consequence of which its own union was "put out of business" and its members obliged to become members of its rival and deal with the employer either exclusively through it or not at all. In short, that by reason of the Board's decision to enlarge the "unit" to embrace about 25 separate ports and the acceptance of its decision by the employers, a situation has arisen as the result of which a so-called closed-shop contract may be entered into which will require petitioner's members, even where they predominate in a particular locality or business, to join the other union or possibly be displaced from their employment by members of that union.

In holding that it had no jurisdiction, the court said:

> So that what happened was precisely what in a proper case the act designed should happen, but, as we have seen, with the result that petitioner, in the localities in which its members constituted a majority, was, if the Board's decision as to the representative unit is valid, deprived of the very thing which petitioner insists it was the purpose of Congress to secure and protect (*American Federation of Labor et al.* v. *National Labor Relations Board*, decided Feb. 27, 1939, by Circuit Court of Appeals for the District of Columbia).

3. THE ACT, AS INTERPRETED BY THE BOARD, DEPRIVES INDIVIDUALS OF THE RIGHT OF FREE SPEECH AND A FREE PRESS

The first amendment to the Constitution provides that—

> Congress shall make no law * * * abridging the freedom of speech or of the press.

On the 8th of April 1937, Richard Frankensteen, a C. I. O. organizer, perhaps relying upon this constitutional guaranty, made the statement in Detroit:

> Henry (meaning Ford) will either recognize the union or he won't build automobiles.

About the same time John L. Lewis, according to the public press, said, with reference to Ford recognizing the union:

> Henry Ford will change his mind or he won't build cars.

The Supreme Court of the United States, in the case of *DeYoung* v. *Oregon* (299 U. S. R. 353), held that the Communist, under this amendment, had the right to speak freely and to write freely his thoughts advocating the overthrow of our Government—the legislative, the executive, and the judicial branches thereof.

The Labor Board, however, in a case against Henry Ford, held that he was guilty of an unfair labor practice when he advised his employees in substance that they need not join any union in order to obtain or hold a job with the Ford Motor Co.

It seems that it was proper for Frankensteen and Lewis to announce publicly and through the press that Ford could not conduct his business unless he recognized the C. I. O., while Mr. Ford is denied the right guaranteed by the first amendment of informing his employees that, in order to work in the Ford Motor Co., they need not pay tribute to Lewis or his organization.

The case in which Mr. Ford was convicted of this unfair labor practice was appealed, and later the Board was permitted, through a decision of the United States Supreme Court, to withdraw its decision for the purpose of taking further proceedings.

Further proceedings were had and it was found that all of the charges of unfair labor practice against Mr. Ford and the Ford Motor Co. were without foundation, except the one relating to section 8 (1) of the act. This charge was that the Ford Motor Co. had made available to its employees at the Chicago plant certain pamphlets which contained an expression of the respondent's attitude toward union activities and its employees' membership therein.

This charge, if sustained, denies to the Ford Motor Co. and to Henry Ford the right given to Communists and apparently to all others who do not fall within the provisions of the N. L. R. A.—the right to freely speak and write their thoughts.

The original decision of the Board finding Mr. Ford or the Ford Motor Co. guilty of an unfair labor practice was in direct conflict with the doctrine laid down in *National Labor Relations Board* v. *Union Pacific Stages* (99 Fed. (2d) 153).

Nevertheless, after the withdrawal of its original order, the trial examiner, who certainly must know the attitude of the Board, again found the company guilty of an unfair labor practice because it had circulated the pamphlets known as "Fordisms."

It is somewhat ironical that in this same case the U. A. W. A., in its issue of Saturday, June 5, 1937, printed a cartoon depicting Henry Ford as a Hitler, with a pistol within range; that, on the first page of the Wednesday, August 11, 1937, issue of the United Automobile Workers' newspaper, it printed another cartoon, showing a convict escaping from prison and calling to a motorist, "Quick, Buddy; Henry wants me."

The Board has one rule for Ford and the Ford Motor Co.; another for the U. A. W. A., which would coerce workers into joining the U. A. W. A.

In the case of the National Motor Bearing Co., Inc., of Oakland, Calif., it was held that, where a foreman secured from the public records photostatic copies of the registration papers showing that one of the organizers for the C. I. O. was a Communist, and circulated them among other employees, the employer was guilty of an unfair labor practice. This decision denied to the foreman, to the company, the right to inform fellow employees of the character of the man who was attempting to induce them to join the organization which he represented.

On the 1st day of June 1937, it was my privilege, notwithstanding the fact that the N. L. R. A. was in force and the N. L. R. B. was functioning, to speak in the hall of the House of Representatives concerning communistic activities within the C. I. O. organization. That speech was afterward reprinted and illustrated by the Constitutional Educational League.

In the *Muskin Shoe Co. case* (No. VC 141), of Westminster, Md., the Board held that the circulation of the republication of this speech, with illustrations, by an employee on company time and company property was an unfair labor practice on the part of the employer—a denial of the right of free speech.

A finding was made by Trial Examiner Hugh C. McCarthy in his intermediate report dated June 24, 1938, in the proceedings pending before the National Labor Relations Board, seventh region, in the matter of Cooper, Wells & Co. and American Federation of Hosiery Workers. Paragraph 14 of the findings contained this statement:

> The witness, Felton Dobbs, testified that the general chairman of the independent group distributed throughout the mill a booklet, which was introduced in evidence, entitled "Communism's Iron Grip on the C. I. O."

The introduction of this booklet was objected to by the company's attorney for the reasons, among others, that it not only had no bearing on the issue involved in the hearing but that it nowhere appeared that there was any connection between the respondent company, or any of its officers or employees, and the writer of the speech.

Under the previous holding of the Board the circulation of the speech by an employee was an unfair labor practice.

The Board has repeatedly held that the employer has no right to express his views to his employees as to the merits of any particular labor organization or as to the advisability of joining or not joining such an organization.

Some idea of the views of Mr. Madden, Chairman of the Board, on the right of an employer to advise an employee will be found by reference to pages 1575 and 1576 of the subcommittee hearings on H. R. 7343. Mr. Madden was asked, in substance, if an employee went to an employer and attempted to discuss organization activities, the formation of a union, or to seek advice as to affiliation with any labor organization, or whether he should join one union or another, what position the employer should take. Mr. Madden replied:

> I have no doubt whatever as to what I would advise an employer to do in those circumstances. I would advise him simply to say to his man—and you will note Mr. Madden says "his man," not "the employee" or "the worker"—"I'm sorry, but the spirit of this law asks me to keep my hands off your organization affairs."

Even though an employer and an employee have grown old with the business; even though they may have been friends for 30 or 40 years, each dependent upon the other for his failure or his success in life, the employer must remain silent on what may on occasion be a most vital question affecting the future of both.

If the employer has no right to express his views as to any labor organization to an employee, he certainly has no right to advise an employee that he shall not circulate a speech made in Congress, a pamphlet or a news item which reflects upon a certain organization.

How then, this being true, can the employer prevent an employee, who desires to make the employer guilty of an unfair labor practice, from accomplishing that purpose by circulating a speech antagonistic to a union which is endeavoring to organize the employees in that particular plant?

Under the Muskin Shoe Co. and the Cooper, Wells & Co. cases, if the employee circulates such a speech on company time, on company property, the employer is guilty of an unfair labor practice. If the employer forbids such circulation, the employer is guilty of an unfair labor practice because he has interfered with the right of the employees freely to join a labor organization.

So construed, the act is in violation of the first amendment. Followed logically to the end, what would be the ruling if, in a strife-torn city like Flint, Mich., where a strike was in progress; where there were threats, coercion, intimidation, and violence, a minister, whose salary was paid in part by the employer, arose in his pulpit on the Sabbath Day and, in prayer, asked that God protect the city from the lawless acts of those who had invaded it?

Following the reasoning in the three cases above cited, the employer who contributed to the upkeep of the church, to the payment of the minister's salary, would be held guilty of an unfair labor practice if the minister told a congregation of employees that the intimidation, the violence, the rioting, the civil strife was wrong, and asked God's help in ending it.

Absurd, you say? But reason it out for yourself.

Certainly, under the above decisions, no employer could escape conviction of an unfair labor practice if he asked, in a paid advertisement of his daily newspaper, for the support of citizens who were opposed to lawlessness brought to their community by invading pickets.

The decisions of the Board and of the examiners are absurdities.

4. THE ACT, AS INTERPRETED, DEPRIVES THE CITIZEN OF HIS LIBERTY AND OF HIS PROPERTY WITHOUT DUE PROCESS OF LAW, IN VIOLATION OF THE FIFTH AMENDMENT

The denial of the citizen's right to work is a denial of his liberty. As the worker earns his bread by his daily toil, the denial of his right to work is a deprivation of his property.

As a union has the right to enter into a contract with its members, obligating them to pay membership fees, dues, and special assessments to it, it is privileged to create a contract, and a contract is a property right.

By the act, as interpreted by the Board, members of one union, employees, as has been pointed out in the Harris case and in the American Federation of Labor Longshoremen's case, were deprived of their right to work unless they paid membership fees and dues to a rival union.

In the Harris case, this interpretation of the law was upheld by the Supreme Court, that Court ignoring entirely the claim that, as so interpreted, the act was unconstitutional.

In the Longshoremen's case, the Circuit Court of Appeals of the District of Columbia held that the A. F. of L. contracts with its members might be destroyed by the Wagner Act, in conjunction with the Norris-LaGuardia Act, that there was no remedy under the Wagner Act and that the remedy was by an independent suit in equity.

Two other cases sustain the proposition that, because of the provisions of the N. L. R. A. and the Norris-LaGuardia Act, neither the employer nor the employee can successfully, through the courts, enjoin either employees who belong to a rival or pickets who never worked for that employee, and who do not represent employees working in the plant involved, from depriving employees of their right to work or prevent such pickets from destroying the employer's business.

Where the employer entered into a contract with majority representatives for collective bargaining and a minority, by acts of violence and intimidation, prevented the majority from working, with the result of closing the employer's factory, so that he could not carry out his contracts, the court held that the employer was not entitled to injunctive relief (*Lund* v. *Woodenware W. U.*, 19 Fed. Supp., 607).

In that case the Court said:

> Plaintiff presumably is correct in his position when he avers that, under the terms of the Wagner Act, he cannot bargain collectively with the representatives of the minority and, if he assumes to do so, he may be guilty of unfair labor practice. But the determination of his course in dealing with his employees is nevertheless not for the courts.
>
> The difficulty with the assumption of jurisdiction herein on the theory that plaintiff's case arises under the Wagner Act is due to the very apparent fact that the right that the plaintiff seeks to enforce is not created either expressly or impliedly by the Federal statute in question; but by this proceeding he seeks to read into the act certain rights on behalf of the employer to proceed in a court of equity, which Congress studiously refrained from giving to the employer.

In *Blankenship* v. *Kurfman* (96 Fed. (2d) 450) the plaintiffs were employees selected by a majority, without employer domination, and were negotiating a contract with the employer. They attempted to work but, as a result of violence and threats by members of a rival union, they abandoned their jobs. Their contract had been negotiated and consummated in accordance with the N. L. R. A.

The Court held, under the authority of New Negro Alliance and other cases, that it was a case involving a labor dispute and the employees were not entitled to protection by injunction. The Court said:

> And we find no provision in the act which can be construed as intending to create rights for employees which can be enforced in Federal courts independently of action by the National Labor Relations Board. Consequently, we hold that the contract in the instant case between the plaintiffs and their employer did not by force of the National Labor Relations Act create a right in the plaintiffs which was secured to them "by the Constitution or laws of the United States." Consequently, the alleged unlawful interference by the defendants with the plaintiffs' contractual rights did not give a cause of action of which a Federal court would have jurisdiction, in the absence of diversity of citizenship.

Both these cases were cited with approval in Fur Workers Union against H. Zirkin & Sons, Inc., decided March 27, 1939.

Union Premier Food Stores v. *Retail Food C. & M. Union* (98 Fed. (2d) 821) is authority for the proposition that, where an employer agreed to enter into a collective-bargaining agreement with the representatives of four striking picketing unions and a rival union claimed to represent a majority of the employees and invoked action on the part of the National Labor Relations Board, which assumed jurisdiction and filed charges of unfair labor practices, the employer was entitled to an injunction preventing picketing where it was engaged in the selling of perishable commodities and the picketing was destroying the business, the theory of the circuit court of appeals being:

> That no labor dispute was involved in the case since the disputants were the unions, and that it could not be thought that Congress, under the National Labor Relations Act, intended to permit the destruction of the business of an employer who stood ready to obey any orders of the Board under the act when issued.

But since the decision in the Shinner and the New Negro Alliance cases and the decision in the case of *Donnelly Garment Co.* v. *International Ladies' Garment Workers' Union* (99 Fed. (2d) 309), regardless of the statement in the Union Premier Food Stores case "that it could not be thought that Congress, under the National Labor Relations Act, intended to permit the destruction of the business of an employer who stood ready to obey any orders of the Board under the act," the destruction of the employer's business is one of the things which the act does not prohibit; and the employer is without remedy in certain cases, unless he can bring himself within the exceptions of the Norris-LaGuardia Act, which in many cases he cannot do.

A still later case decided by the Circuit Court of Appeals for the District of Columbia on the 27th day of March 1939—Fur Workers' Union et al. against Fur Workers' Union No. 21238 and H. Zirkin & Sons, Inc.—is authority for the proposition that unless the employer and the employees can bring themselves within the exceptions required by the Norris-LaGuardia Act, the employees cannot by injunction protect themselves against the destruction of their right to work; the union cannot prevent activities which destroy its source of income; and the employer cannot prevent the loss of his business.

In that case, H. Zirkin & Sons, Inc., had for long been engaged in the business, in the city of Washington, as a retail dealer in ladies' clothing, including fur coats. It employed 11 fur workers. One struck; later he was joined by another, both belonging to a C. I. O. affiliate. The 9 others obtained a charter and became an affiliate of the A. F. of L. and were recognized as exclusive representatives for collective bargaining for all the fur workers then in Zirkin's actual employ.

The two C. I. O. striking employees called to their aid pickets who were not employees. Of the picketing the court said:

> The purpose of the picketing was to coerce Zirkin's and its fur-worker employees to violate the agreement entered into with the appellee union and to cause Zirkin's to rescind its recognition of that union. The persons picketing Zirkin's place of business were disorderly in their conduct, made assaults and attempted assaults upon the fur-worker employees at Zirkin's, intimidated and coerced them by threats of bodily harm, and interfered with customers of Zirkin's while they were entering or leaving the business establishment.

The court, quoting from *Lauf* v. *E. G. Shinner* (303 U. S. 323), said:

> The controversy, rather, seems to be a unilateral one with the sole object of coercing appellee to compel its employees to join the appellant union in order that it may represent the employees in their dealings with the employer. Appellants seek to accomplish that result by picketing and damaging the employer's business.

The court further said:

> The argument is that unless injunction can issue in such a situation, the employer may well, for lack of other remedy, see his business destroyed, because neither union may be interested in applying to the National Labor Relations Board for an election and certification, and the employer is not under the present terms of the National Labor Relations Act given a right to invoke the jurisdiction of the Board to investigate and determine by election proceedings the appropriate bargaining unit and the agency reflective of the will of the majority of the employees.
>
> And it is clear also that in the absence of a remedy for the employer the dispute may proceed indefinitely for lack of an invocation of jurisdiction of the Board by the competing unions.
>
> It is clear further that in such a situation there is no remedy for the employer under the National Labor Relations Act. That act makes no provision for invocation of the election and certification powers of the Board by an employer. The result is an inequality

before the law as between an employer and employees in this particular, namely, that while the employer has a substantive right to carry on his business, he lacks a legal remedy for protecting the same against injury through the struggle of competing unions, even though he be indifferent as to the choice of his employees between them; whereas the employees, in respect of their substantive rights of self-organization and collective bargaining, are afforded a protective remedy under the election and certification powers of the Board.

The argument of hardship "must be addressed to Congress in respect of the possibility of an amendment of the National Labor Relations Act in such manner as will give to employers a right to invoke the jurisdiction of the Board for a settlement of disputes concerning rights of representation."

The Supreme Court has held in *Labor Board* v. *Jones & Laughlin* that the onesidedness of the act is a matter of congressional policy which does not invade constitutional limitations.

It is true that the Supreme Court, speaking through Justice Brandeis, in *Myers* v. *Bethlehem Shipbuilding Corporation* (303 U. S. 41, 48, 49) said:

The grant of that exclusive power is constitutional because the act provided for appropriate procedure before the Board, and in the review by the circuit court of appeals an adequate opportunity to secure judicial protection against possible illegal action on the part of the Board. No power to enforce an order is conferred upon the Board. To secure enforcement the Board must apply to a circuit court of appeals for its affirmance. And until the Board's order has been affirmed by the appropriate circuit court of appeals no penalty accrues for disobeying it. The independent right to apply to a circuit court of appeals to have an order set aside is conferred upon any party aggrieved by the proceeding before the Board.

* * * * * * *

The order of the Board is subject to review by the designated court, and only when sustained by the court may the order be enforced. Upon that review all questions of the jurisdiction of the Board and the regularity of its proceedings, all questions of constitutional right or statutory authority, are open to examination by the court.

But this statement must be read with other decisions of that Court in mind and with the decision in American Federation of Labor and others against National Labor Relations Board, decided by the Circuit Court of Appeals for the District of Columbia on February 27, 1939, where the court said:

Accepting, as we must, this restrictive definition (of a final order) and applying it to the case at hand, we hold that, though the decision here was required by the act to be made, and to be made on the evidence and argument after judicial hearing, and though it was definitive, adverse, binding, final, and in this case struck at the very roots of petitioner's union and destroyed its effectiveness in a large geographical area of the Nation, it was not an order, because the act did not require it to be made in the language of command, and hence is reviewable, as was held in *Shields case, supra,* and in *Utah Fuel Co.* v. *National Bituminous Coal Commission,* — U. S. — (decided January 30, 1939), only in an independent suit in equity commenced in a district court.

It is all very well for the Court in this case to say that the order is reviewable, as was held in *Shields* v. *Utah Idaho Central Railway Co.* (83 U. S. (L. Ed.), 170), and in *Utah Fuel Co.* v. *National Bituminous Coal Commission* (83 U. S. (L. Ed.), 402); but it will be noted that, in the first case, while the Court said, speaking through Chief Justice Hughes, that, while review of the order of the Interstate Commerce Commission might be had in a Federal district court, as the authority to make the order "was validly conferred upon the Commission, the question on judicial review would be simply whether the Commission had acted within its authority"; and the decision in the Utah Fuel Co. case, while holding that the equity jurisdiction of the Federal district court extended to a judicial review through the medium of an injunction of an order of the National Bituminous Coal Commission, it further held that, Congress having granted authority to the Commission, the Commission had the right to provide for the disclosure of confidential information contained in reports required by the act and affirmed the decision of the district court dismissing the bill for an injunction.

If the employees, whose right to work is being denied by mass picketing; if the union, which is being destroyed in the same manner; if the employer, whose business is being wiped out by the picketing, cannot appeal, as they cannot under the N. L. R. A., from an order which is not "final," each will, in many cases, when he seeks the aid of a court of equity, be denied relief, because of the provisions of the Norris-LaGuardia Act and the decisions of the United States Supreme Court in *New Negro Alliance* v. *Grocery Co.* (303 U. S. 552), and *Lauf* v. *E. G. Shinner & Co.* (303 U. S. 323), on the ground that they cannot bring themselves within the exceptions set forth in that act.

The result is that while the Norris-LaGuardia Act remains in force, while the provisions of the N. L. R. A. remain as they are, an individual employee, a union, an employer may each be deprived of his property, of his liberty.

Three cases showing that this contention is correct are the Zirkin case, the Longshoremen's case, and the Harris case. In each of these cases the courts held that under the Wagner Act there could be no appeal, no review, for the reason that there was no "final order."

If judicial review is sought by an independent suit in equity, as suggested in the Longshoremen's case, the injured party, employee, union, or employer will be met by the argument and by the decisions in the Utah Fuel Co. and Shields cases that, the N. L. R. A. being constitutional (*Labor Board* v. *Jones & Laughlin Steel Corporation,* 301 U. S. 1), Congress having given the N. L. R. B. authority to determine the unit and certify representatives for collective bargaining and the Board having acted within the scope of that authority, its decision must be sustained.

Such must be the result unless the Court is prepared to hold that the N. L. R. A., as so interpreted, is unconstitutional, because, as so interpreted, it is contrary to the fifth amendment.

Fifth. Upon the reenactment of the N. L. R. A., there should be incorporated within its terms the interpretations placed upon the present act by the Supreme Court, insofar as the same will aid in furthering the purpose of the act or in clarifying its terms, including, among others, the following:

(a) A provision that those engaging in sit-down strikes and the unlawful destruction of property lose their status as employees and need not be reemployed nor compensated for wages not earned after the commission of such acts.

(b) A provision that when the employer and the employees' representatives have negotiated for a reasonable length of time, or where the positions of the parties are so diametrically opposed that there appears to be no reasonable hope of a compromise, the requirement as to collective bargaining has been satisfied.

(c) A provision that the Board has no authority to inflict a punitive penalty upon the employer, except as that penalty is explicitly defined and imposed by the language of the act itself.

(d) A provision that the Board has no authority to invalidate a contract entered into between an employer and representatives for collective bargaining selected by a majority of the employees.

(e) That findings of fact by the Board will not be sustained unless they are supported by "evidence which is substantial; that is, affording a substantial basis of fact from which the fact in issue can be reasonably inferred."

(f) There should also be a provision, although the Supreme Court has not passed upon this proposition, that the unit from which representatives for collective bargaining are to be selected should be limited to one employer in one locality and shall be embraced within the limits of the municipal corporation in which the employees are working.

To aid in the purpose, in the lessening of the causes of labor disputes affecting or burdening interstate or foreign commerce, H. R. 4990 has been introduced in the House.

Its passage will in a large measure secure to employees the rights set forth in section 7, protect employers, and in no way injure labor organizations whose sole purpose is to see to it that the worker is at all times made secure from oppression on the part of employer or labor racketeer.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, on yesterday I asked and was granted unanimous consent to extend my own remarks to include an address by a former Member of this House, Hon. Edward C. Eicher. The Public Printer has informed me

that it is a little in excess of that allowed a non-Member of Congress. I ask unanimous consent that I may put that in the RECORD in its entirety, notwithstanding the estimate of the printer.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, let me say to the gentleman that this is a question that must be settled by the Joint Committee on Printing. If it exceeds four pages——

Mr. HOUSTON. It does not exceed four pages.

Mr. RANKIN. Well, what is the objection to it?

Mr. HOUSTON. It is three and a quarter pages; between a third and a quarter over what is allowed a non-Member of Congress.

Mr. RANKIN. Would it be possible to eliminate a portion of it so as to bring it within the rule without having to go to the Joint Committee on Printing?

Mr. HOUSTON. I think it would take the meat out of the speech.

Mr. RANKIN. I will say to the gentleman that I am not going to object, of course, but getting by that Joint Committee on Printing is quite difficult. Unless the gentleman can eliminate certain portions of Mr. Eicher's address, I am afraid he is stymied.

The SPEAKER. The Chair will state that rule 10 of the Joint Committee on Printing provides that—

> No extraneous matter in excess of two pages in any one instance may be printed in the CONGRESSIONAL RECORD by a Member under leave to print or to extend his remarks unless the same is accompanied by an estimate from the Public Printer of the probable cost thereof.

In this instance the gentleman from Kansas [Mr. HOUSTON] has stated that the address of Mr. Eicher will exceed two pages and that he has received an estimate from the Public Printer of the probable cost thereof as required by the rule of the Joint Committee on Printing, so that all that is now necessary is to again secure permission from the House by unanimous consent to print the address in the RECORD.

Is there objection?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an article by David L. Babson.

The SPEAKER. Is there objection?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I was detained at my office, but on coming here I find the Interior Department appropriation bill has been passed by the Senate and a conference has been asked. The Senate has added millions of dollars to that appropriation bill when this Congress has spent now more money than we will receive in taxes in 1940. A dreadful situation; and more appropriation bills to follow. I want to say to the conferees on the part of the House when they go into conference, if they are going to agree to everything the Senators want when they passed that bill without a record vote, without even a copy of the bill in the Senate at the time they were passing the bill——

The SPEAKER. The Chair desires to call the attention of the gentleman from Pennsylvania to the fact that under the rules of the House he is not permitted to refer to any action taken in the Senate of the United States.

Mr. RICH. May I continue for 1 minute more?

The SPEAKER. The Chair cannot recognize that request for more than 1 minute at this stage of the proceedings.

Mr. RICH. Has my time expired?

The SPEAKER. Not yet.

Mr. RICH. Mr. Speaker, I do not want to disobey the rules of the House, but I do want the House of Representatives to try to cut down expenses and hold them within our income. If we do not, we are going to wreck this Nation. It is about time the House of Representatives took some action on these expenditures, and I hope the Speaker will help us in trying to do that. [Laughter and applause.]

The one item in that bill that the Senate included I want to speak at length about, and under the privilege of extending my remarks I wish to insert the following:

THE JEFFERSON NATIONAL EXPANSION MEMORIAL IS ONLY A REAL ESTATE UNLOADING SCHEME

Mr. Speaker, I trust the name of democracy and the memory of Thomas Jefferson and the western pioneers will not be stained by an approval of this amendment by the House.

So that the Members may be more fully informed about this proposed memorial, let me introduce the following brief summary of facts:

(1) St. Louis now has a memorial to Thomas Jefferson and the Louisiana Purchase located in beautiful Forest Park, a tract of over 1,300 acres.

(2) The promoters of this second memorial in St. Louis represented the Federal Government had approved the project and the St. Louis plans for the memorial, which were to include museums, lecture halls, a small harbor for pleasure craft, a large underground space for the storage of automobiles, and other recreational facilities. None of these are now contemplated.

(3) The project was represented to the people of St. Louis as having the agreed sanction of the Government and a pledge of $22,500,000 in Federal funds. This later turned up to be not the facts.

(4) The people of St. Louis were given an opportunity to vote bonds for an improved national park or plaza, but not the acquisition and preservation of historic sites. The cost was to be $30,000,000.

(5) The special bond-issue election of September 10, 1935, in St. Louis was backed by the promoters. It was later revealed by the St. Louis Post-Dispatch that fraud existed in each and every ward in which the bond issue carried. There was plenty of ghost voting and ballot-box stuffing.

(6) The only funds available to the project are $6,750,000 allocated from the Emergency Relief Appropriation Act of April 8, 1935, by Executive order and $2,250,000 contributed by the city of St. Louis, proceeds of bonds issued and sold in the face of fraud and corruption.

(7) The appellate court of the District of Columbia has held in the case of *Franklin Township, N. J.* v. *Tugwell et al.* (No. 6619, May 18, 1936) the act of 1935 constituted an unlawful delegation of powers to the President and was unconstitutional. This decision has not been challenged.

(8) This project is now being carried forward under the provisions of the Historic Sites Act of August 21, 1935, by the National Park Service. There has never been a congressional appropriation for it. Neither has the Congress authorized the acceptance of the contribution of $2,250,000 proceeds from the sale of the tainted bonds, which was made by the city of St. Louis.

(9) The historic sites named by the President were: The Spanish Colonial Office; the Government House; Old French Cathedral of St. Louis; place where Laclede and Chouteau established the first civil government west of the Mississippi River; the place where Lafayette was received by a grateful people; the place where the Santa Fe, the Oregon, and other trails originated; the place where Lewis and Clark prepared for their trip of discovery and exploration; the courthouse in which the Dred Scott case was tried.

(10) The real facts about these sites are:

The Spanish Colonial House and the Government House were one and the same, and have long since been torn down and removed from the original site, which is now occupied by a printing plant.

The old French Cathedral of St. Louis is still standing, but cannot be acquired under the provisions of the Historic Sites Act.

The place where Laclede and Chouteau established the first civil government is on the levee in St. Louis, now public property and incapable of being exactly located.

The place where Lafayette was received by a grateful people is also on the levee, and incapable of being improved in any manner whatsoever to show that Lafayette had anything more to do with the making of history there than did Pontiac or hundreds of famous Indian chiefs. Pontiac went to his death in Cahokia across the river from St. Louis.

The Santa Fe trail originated near the site of Old Franklin, Mo., where the steamboat *Independence* ran aground on a sandbar in 1821. The traders were forced to abandon the river and continue overland to Independence and Westport—near what is now Kansas City, Mo. Old Franklin is 150 miles from St. Louis.

The Oregon Trail and the Pony Express originated and started from St. Joseph, Mo., which is 260 miles from St. Louis.

Lewis and Clark prepared for their expedition and departed on their journey from River DuBois, now Wood River, Ill. This fact is revealed by the journal of Floyd in the Library of Congress.

The courthouse where the Dred Scott decision was handed down is on grounds donated perpetually for court purposes. The building is in almost irreparable state. The city of St. Louis is asking the Federal Government to shoulder the burden of their own neglect.

Mr. Speaker, the river-front area in St. Louis is not entirely a slum area. Not over 50 persons reside there. The area is mostly devoted to commercial and industrial uses. At the time this promotion started there were two concerns operating in the area that had commercial ratings of over a million dollars. In 1935, according to a survey conducted by the St. Louis Chamber of Commerce, the buildings in the area were occupied by 290 separate firms, who did an annual business exceeding $60,000,000. Of these firms, 134 had a total capital investment of $12,610,500. Does the House believe it a contribution to relief or recovery—yes, of economy—to force these firms to move? And I am advised that several will move from St. Louis forever when that day comes.

Now, one added word about the election frauds in St. Louis. In 1936 the St. Louis Post-Dispatch was awarded the Pulitzer Prize in journalism for their exposures of the corruption which existed there. These exposures showed the Dickmann machine in St. Louis were closely following the pattern of the Pendergast machine in Kansas City. More than 46,000 ghost voters were found to have in some mysterious manner gotten on the poll registers. Ballot boxes were stuffed, names were forged on the precinct poll lists, and other irregularities took place. The corruption has never been denied by any St. Louisan. It is accepted as the inevitable result there of the Dickmann machine.

Mr. Speaker, there is something more important than the $6,750,000 carried in this amendment to be considered—that is a principle. This amendment should not be approved. If the House does approve it, it will undoubtedly be interpreted by the people of the entire country as an approval of Pendergastism, Dickmannism, and machine politics at its worst. Let us have courage to halt this iniquitous scheme and allow the memory of the fraud and corruption behind this St. Louis bond-issue election to fade out with the memorial in the eternal shadows.

Mr. Speaker, there may be some who will defend this memorial on the assumption it is a work-relief project.

Permit me to assure you that such is not possible with the funds that have been contributed and allocated for the project so far. Appraisers working under authority of the district court in St. Louis have already arrived at valuations totaling $6,379,069 for 38 of the 40 blocks in the memorial area.

Already more than one-half of the St. Louis contribution has been spent to maintain a staff of 104 technicians and advisory experts, who are now working in St. Louis preparing plans for some kind of a memorial. The moneys, which you are asked to reappropriate, at best would not begin to pay the expenses of wrecking the buildings on the site. Next year and for many years thereafter you would have the St. Louis promoters on the heels of Congress dogging their footsteps for more and more money.

The time to economize is now. Let us put an end to the fear, the suspense, and the uncertainty that hangs over these St. Louis businessmen. Let us put an end to the wild dreams of these memorial promoters by allowing the unexpended funds appropriated for relief and work relief to revert to the Treasury of the United States and there be available to relieve human misery and human suffering, of which I am reliably informed there is still plenty in St. Louis and other parts of Missouri.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Having listened again to the daily speech of the gentleman from Pennsylvania [Mr. RICH], I call his attention to the fact that you will never get out of this difficulty, you will never balance the Budget, you will never get this Nation out of debt on the present price levels.

Until we have some readjustment of our financial system so as to give us currency expansion to raise commodity prices to their normal level in order to increase the income of the average individual as well as the national income, we are not going to get out of this condition.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. RICH. If the gentleman, with all his energy, would spend as much time trying to get the Government out of business as he spends trying to get the Government into business, we would work ourselves out of this condition in a hurry. We would help the businessmen, we would help the farmers, we would help the laborer, we would help everybody in this country; but you are not going to help them by trying to put the Government into all kinds of business.

Mr. RANKIN. The gentleman is helping himself out now; he is on his way out unless something is done along the line I have indicated. [Applause.]

Mr. RICH. Do not fool yourself, my boy.

Mr. RANKIN. I am not.

[Here the gavel fell.]

CALL OF THE HOUSE

Mr. ALLEN of Illinois. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty-one Members are present, not a quorum.

Mr. SABATH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 51]

Bell	Culkin	Fulmer	McReynolds
Blackney	Curley	Geyer, Calif.	Mitchell
Bolles	Dingell	Gifford	Osmers
Bolton	Ditter	Hart	O'Toole
Brewster	Drewry	Hartley	Owen
Brooks	Durham	Hawks	Peterson, Ga.
Buck	Eaton, N. J.	Hennings	Risk
Buckler, Minn.	Edmiston	Kennedy, M. J.	Rockefeller
Buckley, N. Y.	Elliott	Kerr	Satterfield
Cannon, Fla.	Engel	Lesinski	Sullivan
Cluett	Evans	McDowell	Sweeney
Cole, Md.	Fay	McGehee	Tinkham
Crosser	Folger	McLeod	
Crowther	Ford, Leland M.	Mansfield	

The SPEAKER. On this roll call 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

The SPEAKER. The Chair lays before the House the following message from the Senate of the United States.

The Clerk read as follows:

IN THE SENATE OF THE UNITED STATES,
April 17, 1939.

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 1871) entitled "An act to prevent pernicious political activities."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. LEA. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit during the session of the House today.

The SPEAKER. The gentleman from California asks unanimous consent that the Committee on Interstate and Foreign Commerce may sit during the session of the House today. Is there objection?

There was no objection.

Mr. LEA. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until 10 o'clock tonight to file its report on the bills, H. R. 5379, to amend the act entitled "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes," approved June 25, 1938, and H. R. 5762, to amend the Federal Food, Drug, and Cosmetic Act.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. RICH, Mr. CARLSON, Mr. RANKIN, and Mr. SABATH asked and were given permission to revise and extend their own remarks.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a joint resolution of the Legislature of the State of Minnesota memorializing the Congress of the United States to enact legislation relieving the farmers who gave their notes for feed and seed loans during the drought years 1933 and 1934, from cash payment thereof.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE STABILIZATION FUND AND ALTERATION OF THE WEIGHT OF THE DOLLAR

Mr. SABATH. Mr. Speaker, I call up House Resolution 165.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 3325, a bill to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised. That after general debate, which shall be confined to the bill and shall continue not to exceed 7 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Coinage, Weights, and Measures, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SABATH. Mr. Speaker, does the gentleman from Michigan [Mr. MAPES] desire any time on the rule?

Mr. MAPES. Yes; we would like to use some time.

Mr. SABATH. If the gentleman desires time I yield him one-half of my time, namely, 30 minutes.

Mr. Speaker, this resolution makes in order the so-called stabilization bill, H. R. 3325, which provides for the extending of the $2,000,000,000 stabilization fund until June 30, 1941. It also extends the Thomas amendment passed in 1933 which permits the purchase of newly mined domestic silver.

Under the bill made in order by this rule no new power is granted to the President, it merely extends the time during which the authority vested in the President may be exercised to June 30, 1941.

This legislation, Mr. Speaker, has been acclaimed by all outstanding economists, banking and industrial leaders as of inestimable benefit to our export trade. The $2,000,000,000 fund is being used to establish the foreign exchange value of the dollar; namely, for the purpose of preventing undue fluctuations. Through the operations of this fund we have been able to meet the intrigues of foreign countries and to obtain a leading position in the export trade of the world. It is generally known, Mr. Speaker, that most foreign countries abandoned the gold standard in 1932. This has forced our Nation to establish the stabilization fund. Today only the United States and one other commercially important country, I believe it is Belgium, are on the gold standard.

The stabilization fund and the power given to the President places us in a most favorable and advantageous position. Without these powers at the disposal of the President we would be at the mercy of foreign nations because of their floating currencies or exchange controls which they can alter at a moment's notice, the power to do so being vested in the executive branch of the government of those countries. Great benefits to the United States have accrued through the operation of this fund and there is a general demand for the extension of this authority. The President of the United States, the Secretary of the Treasury, and all outstanding industrial leaders urge its extension. The only objection comes from speculators and some Republicans who have no better plan, who seem to be only capable of criticism, the same kind of criticism they have had for every beneficial law enacted under the Roosevelt administration.

The rule is a liberal rule, and I may say that the Republican Members have not objected seriously to the rule.

All they desire is plenty of time to talk. Well, the Rules Committee gave them plenty of time to talk.

This rule provides for 7 hours of general debate. When general debate is concluded, the bill will be considered under the 5-minute rule, and the gentlemen on that side will have additional time to talk. This should be sufficient for the Republicans to try to becloud the issues or to make little Republican capital, although I feel it will not benefit them in any way, as the country in general is fed up with their destructive activities.

In their desperate efforts the Republicans are trying to get the country to forget the underlying reason for the enactment of this legislation. They are trying to get the country to forget the conditions which existed on March 4, 1933, when President Franklin D. Roosevelt was inaugurated. The Republicans recognize—yes; must admit—and surely know that when President Roosevelt was inaugurated one-half of the values of property, including stocks and bonds, in the United States was gone, and all due to Republican misrule. At that time sixteen to eighteen million people were out of employment, and those who were fortunate enough to be employed were only on half time or less. Women were receiving $3 to $4 a week and men $1 a day.

Banks, business houses, and insurance companies were on the verge of bankruptcy. The farmers in 1933, when President Roosevelt was inaugurated, were receiving about 25 cents for a bushel of wheat, 15 to 17 cents for a bushel of corn, rye, or barley, while hogs and cattle were selling at 2½ cents a pound.

Those were the conditions which faced President Roosevelt and a Democratic Congress on March 4, 1933. Those are the conditions that my Republican friends are trying to have the Nation forget. Therefore they desire plenty of time to talk on the pending bill in the hope that they may be able to becloud the main issue. They will talk a lot of nonsensical stuff and detract from the benefits derived or brought about by the Stabilization Act; they will make a lot of charges and accusations not founded on fact in the hope that people may forget the unfortunate condition President Roosevelt inherited from the Republicans that forced the enactment of this great piece of legislation.

Mr. Speaker, every day on the floor of the House the Republicans make certain accusations against the Democratic Party and the administration because of existing unemployment. As I said before, and I repeat today, it was the Republican administration that was responsible for the unemployment then, and it is the Republicans who are responsible for it now. If the Republican Party and the interests which that party represents had cooperated with President Roosevelt, there would be no unemployment today.

Mr. KNUTSON. Yes?

Mr. SABATH. I agree with the gentleman. I am glad he agrees with me.

Mr. Speaker, it was extremely fortunate that the President possessed the courage, the foresight, and the intelligence to recommend the gold-reserve legislation, and it was equally fortunate that the House passed it. Only the determination and the great courage of the President made this possible. It has helped and aided us to recapture and reestablish our foreign trade, which was nearly gone. Today we are leading the world, due to this legislation, and we have recaptured the trade that was lost under a Republican administration. Under this prudent legislation, recommended by the President and passed by a Democratic Congress, in which I am glad to say that some of the Republicans joined with us in 1933 and 1934, we have nearly $15,000,000,000 of gold in our Treasury. I do not know how many billions of silver we have.

May I say right here that I have been informed that later on the charge will be made by some Republican Members that the Government has lost or will lose a tremendous sum of money so far as the purchase of silver is concerned? I say that the Government will not lose anything on the purchase of the silver. The intent originally was to aid the West, aid the mining industry of the United States to employ thousands and thousands of the unemployed miners. I am satisfied that as soon as Japan is driven out of China, and I hope that may be soon, China will be again put in the position to buy and trade with us as in years gone by. From that time on the steady flow of silver over there will increase and the Government will sustain a profit instead of a loss.

A similar charge may be made so far as gold is concerned. Personally I am not alarmed, because we own today 66 percent, or two-thirds, of all the gold in the world. This makes the United States strong and powerful financially. It also helps commercially and will safeguard American interests in the future. The fears entertained by the gentleman from Pennsylvania mean nothing. All that we need is cooperation. I am sure that many Republicans with whom I have served for many years would be glad to cooperate if they were left alone and not ruled by sinister interests which control them and their actions. If it were left to their own good judgment, I know they would cooperate again as they have in the past in extending this legislation, thereby maintaining the advantageous position that we enjoy today throughout the world.

Mr. Speaker, I feel there can be no real opposition to the extension of this $2,000,000,000 stabilization fund. It has not cost the Government a single dollar. If anything, the Government has a profit. The only people who are opposed to this extension are the speculators, because under this law they are precluded from gambling with the American dollar in foreign countries. Today our dollar is stronger than any other in the world and I hope this condition will continue. It is the duty of all the Republicans to join hands with us if they have the interests of the country at heart in agreeing to this rule and in the final passage of the bill as reported by the splendid committee that has worked industriously for days—yes, weeks—so as to bring it before you. May I also call attention to the fact that the bill provides that in addition to reporting to the President it is necessary to report to the Congress every year with reference to the activities so far as this fund is concerned?

Mr. Speaker, may I ask how much time I have used?

The SPEAKER. The gentleman has used 20 minutes.

Mr. THORKELSON. Mr. Speaker, will the gentleman yield now?

Mr. SABATH. I yield to the gentleman.

Mr. THORKELSON. I would like to ask this question: If there is $2,000,000,000 in the gold stabilization fund? Is that right?

Mr. SABATH. Yes.

Mr. THORKELSON. There is $1,800,000,000 left. There is $200,000,000 lost some place. Where is it?

Mr. SABATH. No; nothing has been lost.

Mr. THORKELSON. Yes, it has. There is only about $1,800,000,000 in it now.

Mr. SABATH. There is $2,000,000,000.

Mr. THORKELSON. According to the Treasury, there is $1,800,000,000 left.

Mr. SABATH. I will say this to the gentleman, that I never have devoted the amount of time or study to the reports that the gentleman from Montana appears to believe I have. Still I do know, and the gentleman from Montana does not, that there has been no loss.

Mr. THORKELSON. What are you talking about it for, then?

Mr. SABATH. Wait a second; I am talking from actual facts.

Mr. THORKELSON. But you have not studied it. How can you talk from facts if you have not studied it?

Mr. SABATH. It did not require any special study on my part to know that there has been no loss. The facts as I do know them convince me of that, and I can only assume that the gentleman speaks from misinformation or just to hear himself talk.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I ask this question to be helpful.

Mr. SABATH. The gentleman as a rule asks questions that are intelligent. I am delighted to answer the gentleman.

Mr. WOLCOTT. I believe section 3 of the act is intended to continue the Silver Purchase Act.

Mr. SABATH. It is.

Mr. WOLCOTT. This section reads:

The second sentence added to paragraph (b)—

And so forth—

is further amended to read as follows: "The powers of the President specified in this paragraph"—

Are continued, and so forth. That paragraph in the existing law reads:

Nor shall the weight of the gold dollar be fixed in any event at more than 60 percent of its present weight.

In that paragraph I fail to find any reference whatsoever to the Gold Purchase Act or title III of the Agricultural Act. I wish the gentleman would give some consideration to that, so if he wants to continue the Silver Purchase Act or if the committee wants to continue the Silver Purchase Act the legislative counsel will correct that inconsistency in the act.

Mr. SABATH. The gentleman, as usual, has asked an intelligent question. He is entitled to that information. I will say this to the gentleman, without going into details and depriving the chairman of the committee of the opportunity of explaining the particular provisions, because I know that no changes have been made by the President in the last 4 years, and from what I understand no changes are anticipated for the future. This bill in no way increases the President's powers as given him under title 10 of the Gold Reserve Act of 1934. It merely extends those powers to June 1941.

Mr. THORKELSON. Mr. Speaker, will the gentleman yield again?

Mr. SABATH. No.

Mr. THORKELSON. Oh, take a chance, will you?

Mr. SABATH. Not to you. If you would ask an intelligent question, I might. Please do not disturb me any more. Mr. Speaker, within the next few days I expect we will hear the ever-recurring Republican charges that we are headed for inflation. That charge was made first in 1934 when the Gold Reserve Act was passed. No inflation has taken place, however. President Roosevelt, well aware of the criminal inflation of 1928 and 1929, is opposed to inflation now. He did not avail himself of the provisions of the Thomas amendment, although I personally believe that it should have been done. That amendment permits the issuance of currency up to $3,000,000,000, and surely we have enough gold and silver behind it to warrant issuing that amount. It might have the good effect of forcing banks to bring back their hoarded money to the channels of legitimate business, and

that would be well worth while. I would like to remind the House that the President never abused the powers granted him up to this time, and any charge that he will do so in the future can only be the political cries of those who oppose him in everything he does.

Yesterday, Mr. Speaker, my colleague from Texas [Mr. DIES] informed me that he would speak in opposition to this rule and the bill. I am now advised that the ranking Republican member of the Rules Committee [Mr. MAPES] is allowing him time to follow me on the floor today. The gentleman from Texas is a convincing speaker. I only regret that so many times he is wrong. However, it will be interesting for me to hear the remarks of the gentleman, whom we all remember as strongly advocating this Gold Reserve Act originally in 1934, and twice since. It is unfortunate that the gentleman has been so often led astray these past months, but I know that other Members will understand the underlying bitterness prompting him, and vote according to their own individual dictates. [Applause.]

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, it is important that we understand what the real issue is which is presented by this bill. The issue is not the devaluation of the gold dollar, nor the devaluation of the silver dollar, nor the purchase of silver, nor the issuance of silver certificates based either upon the cost value or upon the statutory value, nor the fixation of the relationship between the two metals. The issue is not, as some of my esteemed friends from the silver States seem to think, the continuation of the purchase of domestic silver, because under the Silver Act, which is permanent legislation, the Treasury Department has ample authority to purchase both domestic and foreign silver at such prices as they see fit.

The issue involved here is whether or not we shall continue the most extraordinary power that has ever been vested in any President since the beginning of this Republic. In order to illustrate how much power is involved in this continued delegation of authority, let me point out that if the President of the United States saw fit under this act he could increase the supply of money by $9,500,000,000, and through the process of inflation he could levy a tax upon the wages of every worker in the United States, or, if he saw fit, he could deflate and fix the relative value between gold and silver 16 to 1 or 64 to 1, or at any other ratio he saw fit.

I therefore maintain, Mr. Speaker, that the time has come in this country when emergency powers given at a time when the country was in great distress should be terminated and the constitutional duties of this Congress to coin money and to regulate its value should be resumed [applause], for I am persuaded to believe that the processes by which people lose their liberties are not sudden: They are gradual, they are insidious, they work slowly through increasing delegation of power on the part of legislative assemblies to executive departments.

It is said that the President will not exercise this tremendous discretion. If this be true, Mr. Speaker, then why are we asked to continue this power until 1941?

There is no objection to the stabilization fund or to its operation as long as is necessary. The President has already devalued the dollar, and all the power in reference to gold devaluation in this bill amounts to only 9 percent, but under the terms of this bill there is suspended over the heads of American labor and business the most tremendous power—the power to reach into the pockets of the workers and to decrease their wages or the power, on the other hand, to deflate and increase the purchasing power of the dollar. He has the power to put into circulation more money than the total amount that we have today. We should not assume that when we delegate authority the President will not use it. This is not our power. It is the power of the American people, and you and I have no right to delegate to the President such far-reaching authority as this upon the pretext that the emergency continues to exist.

I maintain, Mr. Speaker, that the people of this country are vitally interested in Congress exercising its constitutional power. I maintain that the greatest danger that faces this Republic is the practice of continuing emergency powers from year to year until, finally, you will have a President, whether Democrat or Republican, who has more power, economically, than the rulers in Europe, for the man who has the discretion to put into circulation $9,000,000,000 has more real power than the man who has an army of 1,000,000 men behind him. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. DIES. I conclude my observations with this simple suggestion. If we propose to legislate on monetary matters, then why should not the Coinage, Weights, and Measures Committee come here with a bill? If it is proposed to remonetize silver what is it that keeps the Congress of the United States from facing its responsibilities? If it is proposed to devalue silver or to revalue it to the extent of $2.58 an ounce and issue $9,000,000,000 of certificates based upon it, then what is it that we lack in courage and responsibility to meet the issue ourselves?

If it is necessary to further devalue the gold dollar, what reason is there that the House of Representatives, elected by the people of this country, shall not exercise its constitutional duty, but with cowardice, with political expediency, begging the issue and sidetracking the facts, are we to delegate to the President vast discretionary powers on the assumption that there is an emergency in Europe? If we are going to use that argument I can say to you that you will be delegating vast discretionary authority for the next 100 years, for as far back as history goes Europe has always had emergencies. She has been in a state of emergency, with ceaseless quarrels and feuds, from the very beginning of her recorded history, and I do not propose, Mr. Speaker, as one humble Representative of this great body, by my vote, to continue to clothe with such imperial powers Franklin D. Roosevelt or any other man, be he the greatest man in the Republic, the most popular man, or the wisest—I do not propose by my vote to transfer the rights of my people to one man, whether he be benevolent or otherwise. [Applause.]

Mr. MAPES. Mr. Speaker, I yield 10 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Speaker, I agree with the distinguished chairman of the Committee on Rules, the dean of the House, in his statement that this is a stabilization bill with the accent on the "stab." It is a stab in the heart of the constitutional prerogatives of this great body, in which we as Representatives ought to take pride and guard with the most vigilant jealousy. [Applause.]

Mr. Speaker, I am opposed to this rule and voted against it in the Rules Committee because I am opposed to the resolution which it harbingers.

In my opinion, the power of the President to fix the monetary content of the dollar has been one of the most serious deterrents to economic recovery in this country. It has operated as a Damocles sword which has intimidated business to the extent that business could not know what the value of the dollar might be from one day to another.

Mr. Speaker, today we have two theories of dollar valuation. We have the domestic dollar and the foreign dollar. The domestic dollar must be evaluated according to one thesis and the foreign dollar another. This legislation was enacted in 1934 in the first instance, supposedly to meet an emergency. A year later its sponsors, at the behest of the administration, came back and asked that its life be extended, contending that the emergency had not abated. Two years later the same group returned again and requested another lease of life for this legislation, claiming that the emergency still existed; and today we find them returning for the third time and insisting on a stay of execution on the ground that the emergency still prevails.

Well, my friends, I would like to know when an emergency ceases to be an emergency and becomes a condition. We have had more varieties of emergencies under the New Deal

than Heinz had canned products. A new emergency is born every day and new crackpot legislation must be provided to take care of it. [Applause.]

Mr. Speaker, I wonder when and were this travesty will end, and when sanity will return to the Congress?

Away back in the "horse and buggy" days Justice Marshall warned the American people that the power to tax was the power to destroy. To translate that axiom into New Deal phraseology it means that the power of the purse is the power to dominate. By the time we shall have paid in taxes for all the New Deal experiments, and especially their monetary experiments, the United States Treasury will be completely exhausted, if not destroyed. Make no mistake about that. We are paying a few international bankers and speculators $35 per ounce for gold now, but before all of this sleight-of-hand money manipulation is put to an end we will not have 17 cents left to buy an ounce of our Colorado gold.

The present administration came in power on the pledge, among other things, to drive out the money changers. I am now fully convinced that the senior Senator from Virginia, the former Secretary of the Treasury of the United States, knew what he was talking about when he said:

> We haven't driven out any money changers, we have only changed bankers.

So, instead of the House of Morgan we have changed to Kuhn, Loeb & Co., of which I am told the venerable father of the present Secretary of the Treasury is a major partner.

Again, Mr. Speaker, since coming in power this administration made, among many others, a pledge that if any of their experiments failed they would be the first to make acknowledgment and recommend a change. I would like for the majority leader or some other representative new dealer to tell us how much longer the American people will have to wait for the first confession. If the last November election did not mean anything else, it was a mighty strong hint that several admissions were in order. Oh, ye experimentators, ye crystal gazers, ye brain trusters, ye New Deal exponents. How long will you continue to impose upon our credulity and abuse our patience? [Applause.]

It has been generally understood that our distinguished President was bequeathed a million dollars to play with until he learned the value of money. If he failed to learn anything about money with a million to play with, what right, pray tell me, has Congress to expect him to learn any more about the value of money with two billions to play with? I hope he is not buying any more German marks or putting us into the slot-machine business.

Mr. Speaker, before we permit the President or anyone else to buy any more gold, Congress should find out who owns the fifteen-odd billion dollars of gold the Government claims to own. There are a good many authorities who contend that Uncle Sam has given I O U's in the form of gold certificates or receipts for this money; has returned some of it to Mother Earth, and trusted the Federal Reserve banks to hold the balance of it—until and if. But no one seems to know—and how can they know?—until the Supreme Court decides just who does own all of this precious metal. Until that is decided we will not know who is to benefit by the mark-up or suffer the loss when the day of reckoning comes.

I am in favor of amending this bill to give the President and the bankers until January 1, 1940, to make up their minds that Congress will exercise its constitutional prerogatives after that date so far as money is concerned. And in the meantime Congress should give some constructive thought to the Andresen amendment, or consider the feasibility of establishing a $35-per-ounce price for gold the world over, provided foreign nations will agree to permit us to credit their war debts with the mark-up of $14.33 and help maintain the future price at $35.

This is the only chance we have to lessen the war debts of our former allies and the best way to begin to stabilize world trade. No nation and no individual can be expected to trade with any degree of confidence or normalcy until they know the price of international exchange or money.

In 1929 and 1930 foreigners crashed our markets and put this country in a tailspin by withdrawing their gold. It seems to me that any prudent man would learn a lesson from that experience. However, we are in that same predicament today. Europe, or the so-called gold countries, have billions checked here today, either in vaults or in stocks and bonds purchased at a 40-percent discount. If we fail to protect ourselves now and fear vanishes from the minds of Europeans, and this gold is recalled, God only can help Americans and America's credit.

Mr. Speaker, when will Congress realize that this New Deal "brain trust" money scheme is all a nightmare and come out from under this mania of spending and lending and playing with millions and billions of dollars of gold that a hundred and thirty million American souls vitally depend upon?

I shall offer an amendment to extend the President's money powers as heretofore granted until January 1, 1940. If my amendment is defeated, I shall vote against this bill. In the meantime I hope every Member of the House will read the minority report of the House committee. It is constructive and illuminating and points out the danger signals in this program of congressional capitulation of its constitutional function. [Applause.]

Mr. MAPES. Mr. Speaker, when is an emergency not an emergency, and how long can an emergency last? This bill proposes to continue the authority of the President over money, which was given him by the Gold Reserve Act approved June 30, 1934, over 5 years ago, as an emergency matter. The life of the original act was for 2 years, with a provision which authorized the President to continue it by Executive order for 1 year, which he did. Congress subsequently extended the act for 2 years, and this bill proposes to extend it to June 30, 1941, or a total period of 7 years and 5 months.

What will be the effect of this bill if passed? At the risk of repeating some thoughts which have already been expressed, I shall attempt to point out what it seems to me the bill does and what it does not do. It does not provide for the devaluation of the gold dollar. It does not provide for the devaluation of the silver dollar. It does not fix the gold content of the gold dollar nor the silver content of the silver dollar. It does not continue the silver purchase plan which has been followed by the Secretary of the Treasury in purchasing silver produced in the United States at excessive prices. It does not fix the ratio between gold and silver. It does not provide for the unlimited coinage of gold and of silver. It does not provide for the issuance of silver certificates to the tenders of silver for coinage and against silver held by the Treasury. It does not provide that the weights of subsidiary coins shall be reduced or adjusted so as to maintain the old parity between the standard gold and the standard silver dollar.

It does not affirmatively do any of these things, but it delegates to the President power, in his discretion, for another 2 years to do any one or all of them as he sees fit. Does the Congress want, by the enactment of this legislation, to continue the uncertainty and fear which have paralyzed business during the last 6 years, or does it want to encourage investment and promote business? How can anyone expect business to recover under prevailing conditions and the state of mind of the investing public? Probably every Member of Congress has had one or more friends say to him at one time or another, "I wish I were out of business. If I were only out of business, I would not start any new business. I am only carrying on the business I have in an attempt to save something out of what I have spent a lifetime in building up." That is the state of mind of the people of the country now. This bill, if enacted into law, will tend to continue that feeling.

It is unnecessary for me to say that my name was not among the seven that a distinguished economist a few years ago said knew something about the money question. However, I have taken occasion to look over the hearings before the Committee on Coinage, Weights, and Measures on this bill. I want to quote from the testimony of one distinguished

witness who appeared before the committee, because what he said expresses my own conviction about this legislation.

I quote from page 146 of the hearings:

I am strongly of the opinion that the power of the President to further devalue the dollar should be allowed to lapse. To continue this power implies there are good reasons for further devaluation, or that we are still involved in some sort of an emergency, or that we are ready to engage in currency warfare.

The fear that other countries might reduce the value of their currencies is no excuse for the continuation of these powers. We should not be willing to sacrifice the welfare of our people in order to ape unsound financial practices elsewhere. In the early 1920's the dollar stood firmly anchored to gold at a time when the German mark and Russian ruble were tobogganing to zero, at a time when the British pound was far below par, and the French franc was falling. The fact that we did so gave confidence to our own people and confidence to the world. It did not hamper business development. In fact, the recovery from the 1920–21 depression, when the European economic system was chaotic, was very rapid.

To devalue again would be to give a further stimulus to gold production and to increase the gold deluge. New so-called gold profits would be created. Our already redundant monetary supply would be further augmented.

The refusal to continue these emergency powers should be coupled with other actions in order to make for a well-rounded and developed policy.

As the distinguished gentleman from Texas [Mr. DIES] said, this bill ought to be sent back to the Committee on Coinage, Weights, and Measures, and that committee, or the Committee on Banking and Currency, ought to report back to the House a comprehensive measure on this question of money.

I desire to quote now from another distinguished economist, Mr. John T. Flynn. The following appeared in one of his daily letters in the newspapers a few days ago. After discussing this stabilization fund and the power of the President to devalue the gold dollar further, he says this:

This whole gold-buying policy and its implications have filled businessmen and investors with a feeling that the President is not through fiddling with money yet.

Moreover, the presence of this vast gold hoard, they believe, and with justice, to be pregnant with possibilities of inflation. The fear of inflation always is a deadening influence upon the long-term investment. The paralysis of long-term investment is the chief cause of the long-delayed arrival of sound recovery.

If business is to be appeased, the Congress must do it. The defeat of this bill would be an encouragement to the investing public and have a wholesome effect. Its passage will continue the discouragement and uncertainty under which business has labored for these many years. I am opposed both to the rule and to the bill. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. SABATH. Mr. Speaker, I only have one other speaker, so I request the gentleman from Michigan to use the balance of his time.

Mr. MAPES. The gentleman from Michigan has no further requests for time at this time.

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. SOMERS], chairman of the committee.

Mr. SOMERS of New York. Mr. Speaker, it is not my desire at this time to address myself to the merits of this bill. I should rather confine myself for the moment to a plea for consideration under the rule.

I have been very astounded, as I sat in this Chamber and felt that the intelligence of the membership of this House was being insulted by individuals in this House, asking them to vote or to kill the measure upon a pun, or to kill the measure because of the prejudice of one individual against the President of the United States.

Gentlemen, you have before you for consideration an important piece of legislation. I will not say it is the most important piece of legislation you will consider this year. Some may say that. Nevertheless, it remains that this is an important piece of legislation, affecting the lives of every man, woman, and child in the world. You cannot approach this thing lightly. You cannot condemn it because of a pun, clever as it may be, nor can you be swayed by personal prejudice. You are dealing with a question that involves directly every legislative act that we have ever passed in the last 5 years. Your committee in considering it and the majority members of your committee consulted the minority members. They reached an understanding with them in regard to this rule. It was a Republican request for a period of 7 hours of debate. We granted that and that I think they deserved. Therefore I will ask you, fellow Members, in good faith, to support this rule, to hear the debate, to listen to such arguments as we are prepared to unfold, not to be swayed by name calling, and then vote your conscience, according to your understanding. [Applause.]

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were ayes 120 and noes 90.

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 209, nays 147, not voting 74, as follows:

[Roll No. 52]

YEAS—209

Allen, La.	Doxey	Kitchens	Robertson
Allen, Pa.	Duncan	Kocialkowski	Robinson, Utah
Arnold	Dunn	Kramer	Rogers, Okla.
Ashbrook	Eberharter	Lanham	Romjue
Barden	Ellis	Larrabee	Ryan
Barnes	Faddis	Lea	Sabath
Bates, Ky.	Fernandez	Leavy	Sasscer
Beam	Fitzpatrick	Lemke	Satterfield
Beckworth	Flaherty	Lewis, Colo.	Schaefer, Ill.
Bland	Flannagan	Ludlow	Schuetz
Bloom	Flannery	McAndrews	Schulte
Boehne	Folger	McCormack	Schwert
Boland	Ford, Miss.	McGranery	Scrugham
Boren	Ford, Thomas F.	McKeough	Secrest
Bradley, Pa.	Fries	McLaughlin	Shanley
Brown, Ga.	Fulmer	McMillan, John L.	Sheppard
Bryson	Garrett	McMillan, Thos. S.	Smith, Conn.
Buck	Gathings	Maciejewski	Smith, Ill.
Bulwinkle	Gehrmann	Magnuson	Smith, Va.
Burch	Gibbs	Mahon	Smith, Wash.
Burdick	Gore	Maloney	Smith, W. Va.
Burgin	Gossett	Marcantonio	Snyder
Byrne, N. Y.	Grant, Ala.	Martin, Colo.	Somers, N. Y.
Byrns, Tenn.	Green	Massingale	South
Byron	Gregory	May	Sparkman
Caldwell	Griffith	Mills, Ark.	Spence
Cannon, Mo.	Hare	Mills, La.	Steagall
Cartwright	Harrington	Monroney	Sutphin
Casey, Mass.	Harter, Ohio	Moser	Sweeney
Chandler	Havenner	Murdock, Ariz.	Tarver
Clark	Healey	Murdock, Utah	Taylor, Colo.
Claypool	Hendricks	Myers	Tenerowicz
Cochran	Hill	Nelson	Terry
Coffee, Nebr.	Hobbs	Norrell	Thomas, Tex.
Coffee, Wash.	Hook	Norton	Thomason
Colmer	Houston	O'Connor	Tolan
Connery	Hull	O'Day	Vincent, Ky.
Cooley	Hunter	O'Neal	Vinson, Ga.
Cooper	Izac	Pace	Voorhis, Calif.
Costello	Jarman	Parsons	Wallgren
Cox	Johnson, Luther A.	Patman	Walter
Creal	Johnson, Lyndon	Patrick	Warren
Crosser	Johnson, Okla.	Patton	Weaver
Crowe	Johnson, W. Va.	Pearson	West
Cullen	Jones, Tex.	Peterson, Fla.	Whelchel
Cummings	Kee	Pierce, Oreg.	White, Idaho
D'Alesandro	Keller	Poage	Whittington
Darden	Kelly	Polk	Williams, Mo.
Delaney	Kennedy, Martin	Rabaut	Woodrum, Va.
DeRouen	Keogh	Ramspeck	Zimmerman
Dickstein	Kerr	Randolph	
Disney	Kilday	Rankin	
Doughton	Kirwan	Richards	

NAYS—147

Allen, Ill.	Bradley, Mich.	Culkin	Fenton
Andersen, H. Carl	Brewster	Curtis	Fish
Anderson, Calif.	Brown, Ohio	Darrow	Gamble
Anderson, Mo.	Carlson	Dies	Gartner
Andresen, A. H.	Carter	Dirksen	Gearhart
Andrews	Case, S. Dak.	Dondero	Gerlach
Angell	Chiperfield	Douglas	Gilchrist
Arends	Church	Dowell	Gillie
Austin	Clason	Dworshak	Graham
Ball	Clevenger	Eaton, Calif.	Grant, Ind.
Bates, Mass.	Cole, N. Y.	Eaton, N. J.	Griswold
Bender	Corbett	Elston	Gross
Bolles	Crawford	Englebright	Guyer, Kans.

Gwynne	Knutson	Plumley	Stefan
Hall	Kunkel	Powers	Sumner, Ill.
Halleck	Landis	Reece, Tenn.	Taber
Hancock	LeCompte	Reed, Ill.	Talle
Harness	Lewis, Ohio	Reed, N. Y.	Taylor, Tenn.
Harter, N. Y.	Lord	Rees, Kans.	Thill
Hawks	Luce	Rich	Thomas, N. J.
Hess	McLeod	Robsion, Ky.	Thorkelson
Hinshaw	Maas	Rodgers, Pa.	Tibbott
Hoffman	Mapes	Rogers, Mass.	Treadway
Holmes	Marshall	Routzohn	Van Zandt
Hope	Martin, Iowa	Rutherford	Vorys, Ohio
Horton	Martin, Mass.	Sandager	Vreeland
Jarrett	Mason	Schafer, Wis.	Wadsworth
Jeffries	Michener	Schiffler	Wheat
Jenkins, Ohio	Miller	Seccombe	White, Ohio
Jensen	Monkiewicz	Seger	Wigglesworth
Johns	Mott	Shafer, Mich.	Williams, Del.
Johnson, Ill.	Mundt	Short	Winter
Johnson, Ind.	Murray	Simpson	Wolcott
Jones, Ohio	O'Brien	Smith, Maine	Wolfenden, Pa.
Kean	Oliver	Smith, Ohio	Wolverton, N. J.
Keefe	Pierce, N. Y.	Springer	Youngdahl
Kinzer	Pittenger	Stearns, N. H.	

NOT VOTING—74

Alexander	Dingell	Jenks, N. H.	O'Toole
Barry	Ditter	Kennedy, Md.	Owen
Barton	Drewry	Kennedy, Michael	Peterson, Ga.
Bell	Durham	Kleberg	Pfeifer
Blackney	Edmiston	Lambertson	Rayburn
Bolton	Elliott	Lesinski	Risk
Boykin	Engel	McArdle	Rockefeller
Brooks	Evans	McDowell	Sacks
Buckler, Minn.	Fay	McGehee	Shannon
Buckley, N. Y.	Ferguson	McLean	Sirovich
Cannon, Fla.	Ford, Leland M.	McReynolds	Starnes, Ala.
Celler	Gavagan	Mansfield	Sullivan
Chapman	Geyer, Calif.	Martin, Ill.	Sumners, Tex.
Cluett	Gifford	Merritt	Tinkham
Cole, Md.	Hart	Mitchell	Welch
Collins	Hartley	Mouton	Wood
Crowther	Heinke	Nichols	Woodruff, Mich.
Curley	Hennings	O'Leary	
Dempsey	Jacobsen	Osmers	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rayburn (for) with Mr. Crowther (against).
Mr. Gavagan (for) with Mr. Tinkham (against).
Mr. Barry (for) with Mr. Ditter (against).
Mr. Michael J. Kennedy (for) with Mr. Gifford (against).
Mr. Dempsey (for) with Mr. McLean (against).
Mr. Merritt (for) with Mr. Hartley (against).
Mr. Lesinski (for) with Mr. McDowell (against).
Mr. Pfeifer (for) with Mr. Jenks of New Hampshire (against).
Mr. Drewry (for) with Mr. Woodruff of Michigan (against).

General pairs:

Mr. Boykin with Mr. Barton.
Mr. Collins with Mr. Engel.
Mr. Dempsey with Mr. Lambertson.
Mr. McReynolds with Mr. Cluett.
Mr. Sullivan with Mr. Bolton.
Mr. Kleberg with Mr. Osmers.
Mr. Starnes of Alabama with Mr. Buckler of Minnesota.
Mr. Nichols with Mr. Heinke
Mr. Mouton with Mr. Risk.
Mr. Sumners of Texas with Mr. Blackney.
Mr. Mansfield with Mr. Leland M. Ford.
Mr. Dingell with Mr. Welch.
Mr. Celler with Mr. Rockefeller.
Mr. Chapman with Mr. Alexander.
Mr. Bell with Mr. Buckley of New York.
Mr. Fay with Mr. McGehee.
Mr. Hennings with Mr. Curley.
Mr. Elliott with Mr. McArdle.
Mr. O'Leary with Mr. Brooks.
Mr. Edmiston with Mr. Owen.
Mr. Hart with Mr. Wood.
Mr. Martin of Illinois with Mr. Durham.
Mr. Evans with Mr. Cannon of Florida.
Mr. Cole of Maryland with Mr. Sirovich.
Mr. O'Toole with Mr. Ferguson.
Mr. Kennedy of Maryland with Mr. Jacobsen.
Mr. Peterson of Georgia with Mr. Geyer of California.

Mr. WOODRUFF of Michigan. Mr. Speaker, I was not present in the room, but had I been present I would have voted "no."

Mr. McLEAN. Mr. Speaker, I was unavoidably detained. Had I been present, I would have voted "no."

The result of the vote was announced as above reported.

JAPANESE FISHING

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KRAMER. Mr. Speaker and Members of the House, I have introduced two bills today, one to amend section 166 of the immigration laws, to restrict certain alien seamen from landing in the United States; the other to amend section 221 of the Shipping Act barring certain aliens to participate in benefits thereof.

Both of these bills pertain particularly to the Japanese seamen whose activities were brought to my attention during the investigation of which I served as chairman of the subcommittee to investigate un-American activities.

During the month of August 1934, at a hearing at Los Angeles, Calif., which I conducted with other members of the committee, a witness appeared before the committee whose name was Lail Kain. His testimony disclosed that alien Japanese were operating fishing crafts, their vessels ranging in size from 35 to 125 feet and a capacity up to 250 tons deadweight, with a cruising radius of three to ten thousand miles. Several of these vessels were then being constructed and Mr. Kain exhibited blueprints which showed that the vessels were being constructed so that they could anchor in mid-ocean and their fishing compartments could be replaced by five or six torpedoes.

These vessels were also provided with high-powered radio receiving and sending equipment, with Diesel engines developing 4 to 550 horsepower. Although these vessels were operating in the disguise of innocent fishing craft they were in reality operating for sinister purposes.

Under the Undocumented Motor Boat Act of 1918 it required that certain numerals prescribed by the Department of Customs be carried on the bow of the vessels but these numerals were transferred to a license plate which merely hung over the bow and could be changed at any time in mid-ocean. Under the present law no registration of ownership or of the crew is required. The amendment I am offering proposes that no such vessel shall be permitted to operate by aliens unless the owner, or owners thereof, shall be American citizens, or owned by a corporation, none of whose directors, stockholders, officers, employees, lessees, or charterers shall be prohibited by law from becoming an immigrant to the United States or a United States citizen, and within 24 hours before the sailing or shipping of such vessel it shall be required that all of such crew be registered with the Department of Customs and Commerce and that no such employees may be changed or substituted without giving notice to the Department of Commerce and Customs of such change of such employee or seaman.

A report of the findings of the committee was made to the Department at the time of the conclusion of the hearings which later resulted in the indictment of five Japanese and some American citizens, the case being brought to trial in September 1938, and the defendants Genkichi Koish and Gilbert C. Van Camp pleaded nolo contendere to a violation of the section of the United States Code as charged in the indictment and were fined over $7,000, and in lieu of forfeiture of the craft paid in addition thereto a fine of $38,000. Apparently the United States Government made a bad bargain in permitting forfeiture of this amount in lieu of the vessel.

These Japanese fishing craft are again busy at work and just a few days ago my attention was directed to an article in the magazine Ken, issues of April 6 and 13, respectively, which has given a great deal of publicity to the manner in which these Japanese fishing craft are operated.

Once an alien Japanese is on a boat, there is no restriction whatever to prevent him going ashore when his ship anchors in an American port. A Japanese or any other alien seaman does not even need an identification card. The usually strict immigration laws are very lax on alien seamen. The law provides that the master of the ship report within 60 days any alien seaman who leaves the vessel. An alien Japanese could leave a fishing boat in San Diego, for instance, go where he pleases for 59 days, and return to his boat without the master being required to report his absence.

Japanese secret agents can land in the United States as fishermen, attend to their work, and return to their boats without even a record of their having entered the United

States. If the captain does not wish to report any such "seaman," even if he does not show up after 60 days, no one is the wiser unless the secret agent is picked up. Or an agent can enter on a visitor's visa for 6 months and probably get another 6 months' extension with no one checking on his activities during his stay.

This massing of Japanese naval and military men as seamen off the Pacific coast to fish is really for the purpose of fishing, but they are not fishing for fish. They have reached a point where they are absolutely dangerous to the safety of this country, and the time has come when we must protect our shores against any such operations as are now going on. These facts are easily established, as on many occasions in the past our metropolitan papers of the Pacific coast and elsewhere have given the matter wide publicity, and it has been most vividly brought to the attention of the departments by reputable citizens. A law should be immediately passed, and I hope that the committee to which these bills are referred will grant immediate hearings, because even the hostile publications in the magazine Ken and in other metropolitan papers have not put an end to this, nor have the convictions and payments of fines had any effect.

The Pacific Coast Guard has given a great deal of attention to their fight against the unlawful operation of Japanese fishing boats, but the law as it stands today gives the alien seaman a wide range in remaining in the United States, regardless of what his motive may be.

The Department of Justice has settled too generously, but under the present law had no other alternative. I know, Mr. Speaker and Members of the House, that the Department of Justice has been most persistent in its attempts to eradicate this danger, but the law was wholly inadequate. The amendments I propose will implement the law so that the objective of the Department of Justice may be carried out. [Applause.]

EXTENDING TIME WITHIN WHICH POWERS RELATING TO STABILIZATION FUND MAY BE EXERCISED

Mr. SOMERS of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3325) to extend the time within which the powers relating to the stabilization funds and the alteration of the weight of the dollar may be exercised.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3325, with Mr. MCCORMACK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from New York [Mr. SOMERS] is recognized for 3½ hours and the gentleman from Illinois [Mr. REED] is recognized for 3½ hours.

Mr. REED of Illinois. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I wish to take this opportunity to express to the chairman of the Committee on Coinage, Weights, and Measures the deep appreciation of the minority members of this committee. During all of the hearings held upon this legislation he, although the author of the bill, gave to the minority members every consideration and courtesy we could have expected, and we deeply appreciate it.

Mr. Chairman, today we have before us for consideration a bill which, if enacted, will extend for 2 more years the operation of the $2,000,000,000 stabilization fund and continue the power in the President and Secretary of the Treasury to control it. We likewise have before us in the same bill a proposal to grant for 2 years authority in the President to devalue the gold and silver dollar.

The first duty of this body in considering any legislation whatsoever is to turn to the authority by which we ourselves are permitted to function. That authority is the Constitution of the United States. Section 1 of article I of that document says:

> All legislative powers herein granted shall be vested in a Congress of the United States.

Section 8 of the same article, in enumerating the various legislative powers, says:

> The Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures—

And the section concludes with the phrase—

> and to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States, or in any department or offices thereof.

It is to these sections of the fundamental law, therefore, that we must turn to determine in our own minds our authority to enact the legislation now pending before us.

Section 2 of H. R. 3325—the pending bill—continues in the President until January 15, 1941—unless he shall declare the existing emergency ended before that date—power to devalue both the gold and silver dollar; to fix the ratio between gold and silver at any point that he may determine; to provide for the unlimited coinage of gold and silver; to issue silver certificates to the tenderers of silver for coinage and also against silver held by the Treasury and to reduce the weights of subsidiary coins so as to maintain the parity of such coins with the standard silver dollar and with the gold dollar. These powers are not specifically enumerated in the bill before us but are contained in section 12 of the Gold Reserve Act of 1934. The wording of that act is significant. In it the President is authorized to fix the weight of the gold and the silver dollar "at such amounts as he finds necessary" to stabilize domestic prices or to protect foreign commerce against depreciated foreign currencies; to provide for the "unlimited" coinage of gold and silver, or in the event that our Government enters into an agreement with any foreign government establishing a ratio between the value of gold and other currency issued by the United States and by such foreign government, "the President may fix the weight of the gold dollar" in accordance with the ratio so agreed upon; and such gold dollar, the weight of which is so fixed, "shall be the standard unit of value." This in spite of the plain language of the Constitution that Congress, and Congress only, shall have the authority to coin money and regulate the value thereof. Delegation of legislative power from the lawmaking body to the Executive has ofttimes been condemned by the courts. The fate of the A. A. A. and N. R. A., where "delegation ran riot," is too fresh in the memory of most of the Members of this House to require further comment.

> That Congress cannot delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution.

These were the words of Mr. Justice Harlan in the case of *Field* v. *Clark* (143 U. S. 649, 692), wherein this eminent jurist cites with approval an opinion of Judge Ranney, of the Supreme Court of Ohio, who said:

> The true distinction is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution, to be exercised under and in pursuance of the law. The first cannot be done; to the latter no valid objection can be made (*Cincinnati, Wilmington & Zanesville Railroad* v. *Commissioners*, 1 Ohio Stat. 88).

How then can we reconcile this judicial construction by the highest court in the land, which holds as unlawful the delegation of power to make a law which necessarily involves a discretion as to what it shall be, with the wording of the statute we are today asked to continue in force for another 2 years? I refer to such words as these, "The President may fix the weight of the gold dollar"; that its weight and that of the silver dollar may be fixed by him "at such amounts as he finds necessary"; and that the gold dollar's weight having been fixed by him it "shall be the standard unit of value." Can anyone seriously contend that exercise of such powers are merely administrative and that no discretion is required to be exercised by the Chief Executive?

In the *Legal Tender cases* (79 U. S. 457), I quote from Mr. Justice Strong:

> Whatever power there is over the currency is vested in Congress. If the power to declare what is money is not in Congress, it is annihilated.

And again in the same case Mr. Justice Field declared:

The power to coin money as already declared by this Court is a great trust devolved upon Congress.

These are great truths uttered by great constitutional lawyers but particularly applicable to the issues involved in the pending bill were the words of Mr. Justice Clifford:

Power to fix the standard of weights and measures is evidently a power of comparatively wide discretion but the power to regulate the value of money authorized by the Constitution to be coined is a definite and precise grant of power, admitting of very little discretion in its exercise.

I know it will be contended that the Congress has heretofore delegated power to the Interstate Commerce Commission, for example, and that such action has received the approval of the courts. The Interstate Commerce Commission, however, is not part of the executive branch of the Government, but an independent agency set up by Congress and, in fact, can be said to be an arm of the legislative branch of our Government. Its creation was authorized by paragraph 3 of section 8 of article I of the Constitution, which provides that Congress shall have power to regulate commerce with foreign nations, and among the several States and with Indian tribes; and by paragraph 18 of section 8, which gives it the authority to make all laws necessary and proper for carrying into execution the powers theretofore granted and all other powers vested in the Government or any department or offices thereof. That delegation, however, would have been invalid if Congress had not at the same time presented a rule of action and by legislative enactment set forth definite procedure to be followed by the Commission in the finding of facts upon which the fixing of rates upon railways must be based. Likewise in 1927 in the case of *Hampton & Co.* v. *United States* (276 U. S. 394) the Supreme Court upheld the flexible tariff law because Congress had by that act merely determined that the tariff rate should represent the difference between cost of production at home and in foreign nations and then prescribed a method by which it must be determined by the President. After so finding, the President merely made a proclamation and the mandate of Congress became effective.

The most recent judicial pronouncements relative to delegation of legislative authority were in 1934 and concerned the National Recovery Act. The first opinion was that of *Panama Refining Co.* v. *Ryan* (293 U. S. 388) and was based on the construction of section 9 (c) of the act, which authorized the President to prohibit the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or authorized officer or commission thereof. In commenting on this statute, Chief Justice Hughes said:

Section 9 (c) does not state whether or in what circumstances, or under what conditions, the President is to prohibit the transportation of the amount of petroleum or petroleum products produced in excess of the State's permission. It establishes no criterion to govern the President's course. It does not require any finding by the President as a condition of his action. The Congress, in section 9 (c), thus declares no policy as to the transportation of the excess production. So far as this section is concerned it gives to the President an unlimited authority to determine the policy and to lay down the prohibition or not to lay it down, as he may see fit.

And later on in the decision he says:

The Congress manifestly is not permitted to abdicate or to transfer to others the essential legislative functions with which it is thus vested. * * * The Constitution has never been regarded as denying to the Congress the necessary resources of flexibility and practicality which will enable it to perform its function in laying down policies and establishing standards while leaving to select instrumentalities the making of subordinate rules within prescribed limits and the determination of facts to which the policy as declared by the legislature is to apply. But the constant recognition of the necessity and validity of such provisions, and the wide range of administrative authority which has been developed by means of them, cannot be allowed to obscure the limitations of the authority to delegate, if our constitutional system is to be maintained.

If 9 (c) were held valid it would be idle to pretend that anything would be left of limitations upon the power of the Congress to delegate its lawmaking function. The reasoning of the many decisions we have reviewed would be made vacuous and their distinctions nugatory. Instead of performing its lawmaking function, the Congress could at will, and as to such subjects as it chose, transfer that function to the President or other officer to an administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation which are an essential part of our system of government.

Later on in 1934, in the famous *Schechter case* (295 U. S. 495), the National Recovery Act was declared unconstitutional in its entirety, principally because of its delegation of legislative power.

The legislation before us today seeks to retain in effect one of the so-called emergency laws passed in 1934. The parent act transferred, or attempted to transfer, broad discretionary legislative powers to the Executive, where they did not and do not now belong. The act of the President in devaluing the dollar was purely legislative. When he did so he made law. He regulated the value of money, and will continue to do so until June 30 of this year.

Will Congress again abdicate and again bestow upon the Executive its own "separate, distinct, and continuing powers" that "may be exercised by him from time to time, severally or together whenever in his judgment the expressed objects of the law may require," or will it assert its own prerogatives and say to the American people, "In your Constitution you reposed in us the duty to coin money and regulate its value. We will be faithful to that trust. From henceforth it will be our responsibility, our judgment, our discretion that shall be exercised. We will take back that which rightfully belongs to us. We will permit this unwarranted, unlawful, unconstitutional abdication of 1934 to die a natural death on June 30 of this year, and surrounded by blocks and bars of gold and silver, with speculators and international bankers as chief mourners we shall, in the manner practiced in ancient Egypt, give it a decent and permanent burial in the hills of Kentucky?" [Applause.]

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. REED of Illinois. I yield.

Mr. WHITE of Idaho. Is it the gentleman's contention that we are following the provisions of the Constitution and the provisions of the Federal Reserve Act in increasing the value of gold?

Mr. REED of Illinois. I would not discuss the Federal Reserve Act in regard to this particular section of the Constitution. I do say, however, that we are not following the Constitution in the enactment of this particular legislation.

Mr. WHITE of Idaho. Particularly the gentleman does not believe we are following the Federal Reserve Act in devaluing gold.

Mr. REED of Illinois. No; I do not. [Applause.]

[Here the gavel fell.]

Mr. REED of Illinois. Mr. Chairman, I yield 25 minutes to the gentleman from Ohio [Mr. SMITH].

DEVALUATION

Mr. SMITH of Ohio. Mr. Chairman, "devaluate" is somewhat more delectable than debase. Angell, in his Story of Money, says:

Up to the time of Nero the denarius was found to contain 99 percent of pure silver. * * * The denarii of the latter part of this reign contained from 5 to 10 percent of alloy.

This was simply a surreptitious way for him to take silver from the coin and give him an unearned profit. This has always been referred to as debasement, or coin clipping. Our Government reduced the content of the gold coin, just as Nero did, but call it "devaluation." It should be noted that Nero, as well as all the ancient coin clippers, pocketed only the clippings and left the main part of the coin to the people. Our Government clipped the coin and then stuck both pieces into its pocket.

King Henry VIII, who is often referred to as one of the arch coin clippers, evidently was completely sold on the idea that a nation should not allow foreign countries to clip their coins without clipping its own. Judging by his official protestations, Old Henry was not a slouch either when it came to

setting the public stage for a favorable reception for his money tricks. Here is the way he said it and what he said:

Henri VIII, by the Grace of God, King of England and of France, Defender of the Faith, Lord of Ireland, to the Most Reverend Fathers in God, etc. etc. Forasmuch as coins of moneyes, as well of Gold and of Silver, be of late daies raised and inhaunced both in the Realm of France, * * * and the other parts unto higher prices than the virypois weights, and finenesse and valuation of the same, * * * finding finally no manner of remedy to be had at their hand, have by matured deliberation determined, That our coins and moneyes * * * shall be by our Officers of Our Mint from henceforth made at such finenesse, lay, standard and value as may be equivalent, correspondent and agreeable to the rates of the valuation inhaunced and raised in outward parts, as is afore specified:

You see from this, Henry was not only a good lover but also a smooth clipper. Of course, the old fox, in talking things over with his faithful subjects, likely did not discuss with them any "profits" that he received by "making his coins agreeable to the rates of the valuation inhaunced and raised in outward parts."

In his argument before our committee to continue the authority to debase the gold dollar, Mr. Morgenthau likened his control of the gold of the world to that of a "powerful navy."

This power is a weapon in reserve which is needed for the protection of American interests. In the monetary field it is as important as a powerful navy in the field of defense against armed attack.

If Mr. Morgenthau understood the principles of money, he would not have attempted such an inept comparison. There is no conceivable likeness between the control of the gold which he now has and a "powerful navy." Indeed, they are so unlike that they serve rather to contrast each other. True each possesses power. But the likeness ends there. The question is, Power to do what? To protect the lives and weal of our people or to destroy these? There is power in the red blood cells of the human body, consisting of the carrying of oxygen to all the tissues and taking away from them waste in the form of carbondioxide, which makes life for us possible. Their home is within the blood vessels. Outside the blood vessels they have no use. If too many cells leave them, the body becomes anemic and sick and may die. The standard of weights and measures also has "power," if you wish to call it that. It can operate only in the markets and consists in giving assurance to buyer and seller of full measure. If taken out of the markets, it could do only harm.

Precisely so with gold money. Its "power" to serve mankind is its use in the markets as the standard unit of value and the pledge for the fulfillment of contracts, and in these only. Just as the red corpuscles can serve no useful purpose outside the blood vessels, and the standard unit of measure can serve none outside the markets, so gold money has no "power" for good whatsoever unless it is in free circulation in the channels of trade and commerce.

This attempted comparison and his statement that "this power is a weapon in reserve" is extraordinary. Just what does he have in mind? Is he thinking of the benevolent use gold coins have in the markets in making contracts possible, in guaranteeing value for value, and thus assuring equity between traders? Is he thinking of gold coins in free circulation, serving to provide the greatest amount of employment, and securing to the masses the fruits of their labors and an equal participation in justice?

Or does he have in mind some sinister and malevolent use to which he believes he can put his pile of gold?

"This power is a weapon in reserve." The term weapon is defined in the dictionary as "any implement of war or combat, as a sword, gun," and so forth; "any means that may be used against an adversary."

Since when has the complete deprivation of the people of a nation of all their gold money and the monopolizing of the bulk of the gold of the world under a dictatorship become an implement of war, or a means to be used against an adversary? We must go back to the Pharaohs, who alone owned the treasure and the masses were not permitted to possess any of it. Then, true enough, the treasure was a powerful weapon in the hands of the king, but mostly against his own people in keeping them in subjection and slavery.

Just what adversary does Mr. Morgenthau have in mind against whom he feels he might be compelled to use his "weapon"? The only reference he made to this point to our committee was that if any foreign nation should debase its money, he could act quickly and debase ours too. This is precisely what he testified to before our committee. However, he called it by the more pleasing name "devaluation." We must have a gold dictatorship as a weapon to match the debasements of other nations.

The "power" of this unheard-of control of the gold of the world is the power to destroy our God-given right to work and the hope of our youth. It is the power to destroy the commerce and trade of the world, to stir up strife between nations and embroil them in war with each other. It is the power to force our own Nation into war.

It has, as I shall show later, destroyed the contract in the United States, which is the basic cause for the continued great unemployment, the increasing poverty and despair throughout our land. It is the basic cause for the rapid growth of the lecherous bureaucracy and the regimenting of our people.

It has already produced its ruinous effects upon other nations. With the silver-buying policy, which is a part of the gold program, by draining the silver out of China it convulsed her into a serious depression, making her vulnerable to Japanese attack. Thrice the Chinese Government prayed to our Government for relief, but in vain. It is well known that our silver-buying policy caused serious trouble in Mexico. For a time it forced her off the silver standard. Undoubtedly this was, in a measure, responsible for Mexico's expropriation of American property.

By draining the gold and silver out of other nations it forced one after another of them to take drastic action to keep its coins from being melted down and exported. This is one of the most serious things that can happen to any country. Mr. Morgenthau must know these conditions have taken place. By disorganizing world trade, it is hurting England, France, and the Scandinavian countries. England is suspicious, which is evidenced by her insistence upon the insertion of a clause in the reciprocal-trade agreement which permits her to voluntarily withdraw. Mr. Morgenthau should also know the gold monopoly is interfering with and disrupting our whole tariff structure. It is at cross purposes with the reciprocal-trade agreements. It is one of the principal causes of the unsettled conditions of Central Europe.

The cornering and monopolizing of the world's gold by the rulers of our Nation is causing the peoples of other countries to look upon us as the arch Shylock. It is causing them to hate us. Why should it not?

If Mr. Morgenthau had likened his gold control to our Navy taken out of the ocean and buried in the ground in Kentucky, his simile would have been in the right direction, but would have fallen far short of suggesting all of the injurious effects it must have upon us if it is allowed to continue. If not ended, it will destroy both our Nation and Navy.

In nearly every argument Mr. Morgenthau used to justify his monopolistic control of the gold he gives himself away. In a letter to Senator WAGNER he argues that the higher price paid for gold is not the cause of the great influx of the yellow metal into this country. He also says it is not because "an ounce of gold" has "a significantly higher purchasing power over American internationally traded goods than over foreign goods." But in his argument before the committee for a continuation of the power to debase the gold dollar, he argued this was necessary "to defend the position of this country in world trade."

Now certainly he cannot have it both ways. The high price of gold is the debasement of the gold dollar. They are of necessity one and the same. Since we buy gold only with commodities, Mr. Morgenthau involves himself in a serious contradiction. What he really says is that debasement of the gold dollar, which is the same thing as the high price of gold, increases our export trade, but that the high price of gold,

which is the same thing as the debasement, does not increase our export trade.

In the long and wordy letter to Senator WAGNER, Mr. Morgenthau put forth great effort to show that the artificially high price that he is paying for gold has nothing to do with its influx into this country. He said other nations offer the same price. Remarkable. Since he is bidding $35 an ounce, would it be expected other nations could buy it for less? Would anyone sell it for less than $35 an ounce if they could get that for it? Can you imagine Mr. Morgenthau, if he had a wallet of gold with which he wished to part, selling it for $25 an ounce when he could get $35 for it?

He cites Belgium as having "a fixed price for gold for 2 years, yet her reported gold holdings are no higher than they were 3 years ago."

It is strange Mr. Morgenthau should select Belgium for a comparison. I understand Belgium is on the true gold standard. All her currency is convertible into gold coins at the option of the holder. There are no restrictions on gold shipments. There is little restriction on foreign exchange transactions.

Belgium's price of gold corresponds with the natural price level of her commodities. That is, it is the convertibility that actually fixes her gold price.

In our country gold does not function domestically. We have an altogether different internal dollar from that of the gold dollar. There is no convertibility of our domestic dollar, and therefore no possible opportunity for establishing a gold price except artificially. This point is very important. Mr. Morgenthau is careful to talk all around it. Let him answer the question directly, Would an excessive amount of gold flow into this country if convertibility were established?

France has no law directing her to buy gold. She does not establish an artificial price for it. Private persons may possess it. The poor in France may possess several hundred dollars in coins without going to prison for it.

The British Empire has a different system than ours. They have a free gold market. Private individuals may convert their property or paper currency into gold bullion. They may freely buy and sell gold.

No other country but ours uses gold to bid up the world price of silver in an endeavor to buy all the white metal in the world. I know of no other country, except possibly Russia, that makes it a crime for a poor man to possess a few dollars in gold. Only a few countries like Russia use their gold exclusively in foreign trade and withhold its use altogether from their internal economy.

After all, the proof is in the pudding. In 1936 Italy "devalued" the lira 35 percent. This reduced her national debt from $8,500,000,000 to $5,500,000,000. Russia "devalued" the ruble 75 percent, which reduced her debt from $12,000,000,000 to $2,800,000,000. Russia, France, and Italy alone, by "revaluing" their currencies in 1 year, made a reduction in their combined debt of about $18,000,000,000.

Debasement of 40 percent netted the Treasury a "profit" of $2,800,000,000. Further debasement to the limit allowed by law would net another $1,400,000,000 "profit." If undertaken, this would give Mr. Morgenthau the "power" of two navies instead of one.

I have been unable to find anywhere in history that debasement of the standard unit of value did any good. On the contrary, historians have uniformly down through the ages pictured the evil and disastrous effects of debasements of money.

The Earl of Lauderdale, in the House of Commons, in referring to past debasements, May 25, 1819, said:

> Every such instance of reduction was a fraud on the people; and it was remarkable, in looking back to those periods when such deteriorations were established, that they were uniform periods of discontent and turbulence.

Lord Treasurer Burleigh, when a movement was on foot to debase the coin, told the promoters of the scheme that they were worthy "to suffer death for attempting to put so great a dishonor on the Queen and detriment and discontent upon the people."

Queen Elizabeth referred to the debased state of the coins which she inherited as a "monster."

Once a government starts tinkering with its standard unit of value there is no telling where the end may be. The first mistake leads to others, and then still others, until all is confusion. We now see this before our very eyes.

The Treasury has bought in the last 5 years 1,900,000,000 ounces of silver at an average price of 59 cents an ounce, at a total cost of $1,112,000,000. At the present world price of 43 cents an ounce the Treasury has paid a subsidy, or has lost, 16 cents an ounce, or $304,000,000. When the Treasury started the silver-buying program silver was selling on the London market at 24½ cents an ounce. If the Treasury's artificial price of silver were discontinued and the metal allowed to find its value in an open market, it would probably not be worth more than 24½ cents, and likely much less. But even at this price the Treasury has paid a subsidy, or lost, 34½ cents an ounce, or $655,000,000 on the silver purchased.

The Treasury bought 1,535,659 ounces of foreign silver at an average price of 53½ cents an ounce, at a cost of $821,557,000. At the present world price of 43 cents an ounce the Treasury paid to foreigners a subsidy of 10½ cents an ounce, or $161,244,000. At 24½ cents it paid a subsidy to foreigners of 29 cents an ounce, or the sum of $445,341,000.

The Treasury bought, in round numbers, 253,000,000 ounces of silver from domestic producers at an average price of 73 cents an ounce, or at a cost of more than $184,000,000. At the average world price of 59 cents an ounce, the Treasury paid a subsidy to domestic producers of 14 cents an ounce, or more than $35,000,000. At the present world price of 43 cents an ounce it paid a subsidy of 30 cents an ounce, or nearly $76,000,000. At 24½ cents an ounce the Treasury paid domestic producers a subsidy of $122,000,000.

The amount of silver monetized is 928,000,000 ounces; at $1.29 an ounce, produced $1,200,000,000 silver certificates. At 59 cents an ounce, the average price paid, the Treasury took a write-up profit, or tax, of 70 cents an ounce, or 120 percent, amounting to more than $649,000,000. At the present world price of silver of 43 cents an ounce the Treasury, domestic producers, and the silver speculators have taken a write-up profit of 86 cents an ounce, or 200 percent, amounting to $798,000,000. At 24½ cents an ounce they exacted a write-up profit from the American people of 104½ cents an ounce, or 420 percent, amounting to $969,760,000.

Silver monetized, $1,200,000,000. Eighty-five percent of all taxes are paid by the working people and the poor. At 59 cents an ounce these groups paid the Treasury 120 percent profit, or $552,000,000. At the present world price of silver of 43 cents an ounce, they paid 200 percent profit, or $678,000,000. At 24½ cents an ounce, which is perhaps more than silver is worth, the people earning their living by the sweat of their brows paid the Treasury, domestic silver producers and the silver speculators, a profit of 420 percent or $842,400,000.

Fiat currency expansion possibilities: Except for the inconsequential redeemability of silver, all our currency is now fiat. The Chief Executive now has authority to issue an additional four and one-half billion dollars in silver certificates. At the rate silver is being imported he can issue annually an additional billion. Under the Thomas amendment he can issue three billions of greenbacks and three billions more of fiat Federal Reserve notes. Or he can issue immediately eleven and one-half billions of fiat money. There are more than $7,000,000,000 of so-called gold certificates held by the Federal Reserve banks as excess reserves, against which it is possible to issue $18,000,000,000 in fiat Federal Reserve notes. If the Executive were to debase the gold dollar to the limit allowed by law, three and one-half billions more of fiat Federal Reserve notes could be issued. At the rate gold is being imported an additional $3,000,000,000 in fiat Federal Reserve notes could be issued annually. Or a total of twenty-four and one-half billion fiat Federal Reserve notes can be issued against the so-called gold certificates held by the Federal Reserve banks. This makes a total of $36,000,000,000 of fiat

money that can be printed and put in circulation. Professor Beckhart, who testified before our committee, estimated that deposit liabilities in member banks can expand by $140.000,000,000. This, I submit, is monetary chaos.

The three graphs you see on the chart, if read well, point the way to a real diagnosis of America's present plight. The line between the two red disks represents the increase in deposits in member banks from 1932 to 1938. The heavy, black line represents the annual amount of commercial loans outstanding from 1919 to 1938. The red line represents the annual amount of new capital invested during this same period.

Although the amount of deposits are the highest in history, $36,211,000,000, and although interest rates are the lowest, the amount of loans outstanding is only $13,208,000,000. Deposits increased from $24,803,000,000 in December 1932 to more than $36,000,000,000 in December 1938, or 45 percent. Loans during the same period decreased from $15,204,000,000 to $13,208,000,000, or 7.8 percent. The average amount of new capital invested, as shown on the graph, from 1919 to 1930 was three and one-half billion dollars. The average amount of new capital invested annually in the last 6 years was $664,000,000, or approximately 19 percent of that of the former period just mentioned.

What is wrong here? Why is the dollar we use not demanded for loans and new capital? It is being contended by those who defend the present monetary state that our dollar is a good dollar. They cite as proof that our domestic dollar is accepted at its face value at home, as well as in foreign countries. Nothing could be further from the truth.

Can it be possible that those who argue this way do not know that there are two entirely different kinds of dollars in use? Do they not know that the dollar we use domestically is an altogether different kind than the one used by foreigners? Do they not know that our domestic dollar is not convertible into gold, that the other dollar is convertible into gold? Do they not know that foreigners accept our paper dollar at its full face value because it is fully convertible into gold? Can it be they do not know we accept it at its face value because we are compelled by law to do so? Do they not know that inconvertible paper money has never in a single instance been accepted at its face value by any people except under compulsion?

Citing the fact that the dollar is accepted at its face value by all foreign countries proves nothing more than that it is convertible into gold at its face value. What it would be accepted for or whether it would be accepted at all by foreigners if it were not convertible into gold is quite another matter. Surely no one is going to deny this. We are compelled to search elsewhere for a test of the quality of our domestic dollar. We must confine our investigation entirely to our own domestic markets, for it is here only that it is being used.

Why is there no demand for the dollar we use domestically in the lending and new capital markets? It never was as cheap as it is now, and there are more dollars stacked up in the banks for sale than ever before.

What has happened to our economy to cause people to suddenly stop borrowing and lending for present and future spending? The trouble is not hard to find. What is back of the dollar? Gold? No. The only thing back of it is whatever it happens to buy when it is spent. The lending and borrowing of dollars for commercial purposes and new enterprises requires the execution of long-term contracts. But that kind of contracts cannot be made unless they are valid contracts. People who lend their money out must have reasonable assurance they will receive in return the same value when the promise to pay comes due. Up to the present time, since social organisms have been formed, such assurance has been possible only when the payment in contracts was specified in terms of the standard unit of value. But the United States both de jure and de facto has no standard unit of value for domestic use. De facto it does have one for international use, that of gold.

Surely it is not going to be contended that the inconvertible paper dollar we use domestically is a standard unit of value. When in all the history of the world was such paper money ever recognized as a standard unit of value? Never.

What, then, is the meaning of all this? Nothing less than that the contract in the United States has been destroyed. It is not a question of whether business wants to or does not want to revive. It cannot. It is stopped by the insurmountable physical barrier of not being able to make contracts, especially long-term ones. Who is suffering most from the effects of this? The farmers, the wage earners, and the poor. Ten million able-bodied men with ten or fifteen billion dollars worth of labor for sale but no market, because the contract is destroyed. For the same reason, farmers have billions of dollars' of farm products which they must sell way below the cost of production. Whatever else may be necessary to restore prosperity in the United States, the one thing that must be done first is to restore the standard unit of value, which is gold. We must recoin the gold money and return it to the people. Until that is done demoralization and disintegration of our industry must continue.

Those who argue we cannot do this now, that our gold would all run away into foreign countries, that it would produce a shock, and so forth, are not telling us anything new. Those arguments have been used in every suspension of specie payments that has ever taken place. The only thing that will happen is exactly what always happened when nations came to their senses and returned to specie payments; namely, contracts will again be written which will permit the wheels of industry to turn and reemploy the millions who are idle and give them bread instead of a stone. [Applause.]

Mr. SOMERS of New York. Mr. Chairman, I yield 15 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, a few moments ago, when the chairman of the committee in charge of this bill was making his speech, he spoke of the fact that silver producers in America might be put on the dole if the silver mines were closed. I interrupted him to say that I have evidence to the effect that all over the West, particularly in the State of Arizona, there are silver mines that are now producing or have been producing, but which, because of the lower price now that is being paid, are barely on the edge so far as working is concerned. Some of them have closed down.

I mentioned the fact that out on the desert near Chloride, Ariz., there are some workings of which I have pictures showing a typical small silver mine in the State of Arizona. I have in my hands some of these pictures.

Here is one showing a little camp that is not much more than a hole in the ground, but "there is silver thar." Here is pictured a little shack which has marked on it "$15 house" and beside it there is a $1,500 automobile. The man who sent me this stated that if we caused to operate the little silver mines throughout the West, the workers will buy automobiles, radios, refrigerators, and all those things produced in the manufacturing centers of the East. I point to another picture which shows a little larger silver mine, but with most of the physical equipment evidently in the 15 or 20 automobiles and trucks which you see standing about.

The writer makes quite a point of this contrast. He said, "Silver security or social security?" In this letter Mr. Tipton, of Chloride, Ariz., says:

CHLORIDE, ARIZ., *April 12, 1939.*

Hon. JOHN R. MURDOCK,
Congressional Office Building, Washington, D. C.

DEAR SIR: Thanks for the copy of the CONGRESSIONAL RECORD which you sent me recently.

No doubt the East still feels they are in some way subsidizing silver. We have subsidized many different industries, as well as farming, in our time. It seems we also subsidized Europe to the tune of thirty-eight billions in the past 40 years. Now, in the silver bill it seems to me we are not subsidizing the mines but ourselves. I mean all of us that have merchandise or services to sell gain quite handsomely by seeing the mines operate to their full capacity.

Last month the Tennessee mine here shut down. There were 150 men thrown out of work. Most of them went on social security or on relief of one kind or another, and a few of the better miners got jobs elsewhere. All this because of the drop in price of

silver to 64.64 from the higher price level in force last year. They lost money for some 10 months and then quit. You can judge what will happen to this camp if the price goes below our present figure. It will be another ghost town, with 500 men thrown out of work.

If it were possible to do so, this little town could have taken over the mine and, with the estimated profit on the supplies both for the mine and the men, could have made up the deficit of $300 per month and kept going along. This would have still left a profit on the $22,500 pay roll spent in this community. Naturally, we have no machinery to handle such a scheme. But collectively, from a Government viewpoint, this can be done in the form of a silver bill that will actually be subsidizing ourselves. We subsidize ourselves to business prosperity, and the East gets a great share of this prosperity, as shown by the pictures I am enclosing for your use.

Please continue the good work, or we will have more ghost towns, more relief, more social security, etc.

Sincerely,

A. R. TIPTON.

They received in these silver camps up to January 1, 1938, 77 cents per ounce for their silver. The present price is 64 cents up to June 30, 1939. If we do not pass this bill, the price will go lower. I regret that the price was dropped 13 cents at the beginning of 1938.

This man says that most of the workers, 500 in this small camp, will be thrown on relief if the mine closes down. He states further the mine will close down, as others have already done, if the price of 64 cents per ounce or better is not maintained.

I want to ask in all fairness, Mr. Chairman, whether it is not better to cause these men to dig into the bowels of the earth and bring forth the white metal which from before the time of Abraham has been money than to close the mines and put these men on the dole? These men are getting wealth from the earth. They are helping our monetary system. Some gentlemen on the other side of the aisle talk as though they were merely pulling boulders out of a hole and being paid taxpayers' money for doing so.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I am sorry; I do not have time.

Mr. AUGUST H. ANDRESEN. I should like to ask a question right there. What is the cost of production per ounce of silver in the mine to which the gentleman has referred?

Mr. MURDOCK of Arizona. I am sorry; I do not have time to yield. I wish I had more time.

I want to get at the kernel of this matter. All over the West mines have been closed down in the year 1939 because the price of silver dropped from 77 cents an ounce to 64 cents an ounce. I believe in all seriousness we ought to encourage these men in this field of production. This price is not properly a subsidy, but if it were, it would be better and cheaper than to carry these miners on relief.

Now, I wish to go into a matter which was broached by the gentleman who preceded me. One gentleman talked about the unconstitutionality of the present legislation. I wonder if the gentleman has read the Constitution of the United States. I have read it. In article I, section 8, there is the following clause:

> Congress shall have power to coin money and regulate the value thereof.

I wish to ask the gentleman who preceded me whether he wants Congress to fix the value or whether he wants the American banking system, the bankers of this country, to fix the value of our money.

Mr. Chairman, we have been derelict in our duty by not taking back to the Congress of the United States the constitutional power which the framers of the Constitution gave to our hands. [Applause.] We should have taken it back. We have for more than 100 years increasingly permitted the banking interests of this country to furnish our money, and at a great cost. From 1863 to 1920 we have had some sound bank currency, but even national-bank notes were inelastic.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from California.

Mr. VOORHIS of California. Will the gentleman estimate how many of the gentlemen who applauded one of his latest remarks really meant by their applause that the Congress and the people of America should have the right to issue their own money, and how many of them really had in mind that we should leave this power in the hands of the banking system where it now rests?

May I further ask, Does the gentleman believe it is possible to return to the gold standard without surrendering completely the control of the volume and value of our money to the private banking interests, which inevitably will monopolize the gold?

Mr. MURDOCK of Arizona. I do not believe that it is possible or just to return to the former gold standard. I am not willing to surrender further the control of our money system to the banking interests.

Now, Mr. Chairman, just a little sketch of our American money history. We started out with both gold and silver as a basis for our money. Congress was given power to coin money and the States were forbidden to make anything but gold and silver a legal tender in payment of debt, so says the Constitution.

We permitted the banks 100 years ago to furnish us a new kind of money, paper currency, "wildcat" bank notes. You recall that the panic of 1837 was caused by this country being flooded by "wildcat" bank notes. In those days the banks controlled our money with a vengeance, and look what calamity came upon the country as a result of it. We had practically no governmental paper money until the days of the Civil War. A sound-money man, S. P. Chase, Secretary of the Treasury at that time, was very reluctant to have us issue greenbacks, but as a wartime emergency they were issued. I know they did depreciate, but being wisely limited, they served a useful purpose through all these years. I wish to say to my friends I am as much of a sound-money man as any man on the left-hand side of the aisle.

For many years following the Civil War there was a conflict between two kinds of paper money, greenbacks on the one hand and national-bank notes on the other. Remember, those national-bank notes were issued based on a bonded, interest-bearing debt. After the War between the States many men, I think the poor class of the country, said, "Why should we pay interest on bonds? Why should we perpetuate a national debt in order that we may have a peculiar kind of money?"

There was an insistent demand, especially on the part of the Greenback Party and the farmers, that we pay off our national debt, our bonds, with greenbacks. That was never done. The Nation went right on paying taxes to pay interest on bonds to have bank notes. We still have the $346,000,000 of greenbacks issued in the Civil War days, and have them to this very hour. The marvel is that we do not have more. I am not contending for flooding this country with greenbacks; and I must say that, in my judgment, Franklin D. Roosevelt is not an inflationist.

I have heard today a fear expressed of reposing too much power in the President and in the Secretary of the Treasury, or in continuing that power. Look at what Franklin D. Roosevelt might have done under the act passed early in his administration. He was given the power to devalue the gold dollar to the extent of 50 percent. He has not done that. He has devalued the gold dollar to the extent of only about 40 percent.

He was given the power to remonetize silver at any ratio he might see fit. He has not done that. He was given the power to cause to be issued by Executive order $3,000,000,000 in greenbacks. He has not done that. He was given power to bring about the issue of $3,000,000,000 in Federal Reserve notes. He has not done that. How can any man, in view of the history of the past 4 or 5 years, say that the President of the United States is apt to go crazy on this matter of inflation with that record before him?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Was not the giving of the power to devalue the gold content of the dollar and the exercise of that

power due to the necessity of meeting similar actions by foreign countries and to protect ourselves?

Mr. MURDOCK of Arizona. That is true. The chairman of the committee made a splendid presentation of that matter. In view of the fact that Great Britain has an equalization fund now larger than our own stabilization fund, we had to have that power in order to protect our foreign trade. Other countries have the same provisions. We must meet them with the same equipment. I do not anticipate that the President of the United States would think of using the further power to devalue the dollar, say, to the extent of 9 percent, which would be his if we pass this bill, except in case the $2,000,000,000 stabilization fund is inadequate. I do believe the chairman of the committee was exactly right in saying we must take care of any future eventuality; and to do so, somebody must have that power. For that reason, with full confidence in the man who has not used one-tenth of the power he was given 4 or 5 years ago, I would continue that power in his hands.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. A lot has been said about a subsidy to the silver miners. Is it not a fact that all mining companies pay a large income tax and other taxes to the Government on their operations?

Mr. MURDOCK of Arizona. Yes; they certainly do. They constitute just that kind of business—and most of them are small business units—which we all profess to want to help. Mines, like many other lines of business, help to make up the economic foundation of many Western States. But in the Rocky Mountain States mining is basic and vital. Talk about removing fear and restoring confidence. One way to do that—and I want to do just that for all business—one way to do it for the mining West is to pass this bill.

The gentleman who just preceded me was quite vehement. He talked about robbing the American people to pay somebody. He talked about a subsidy for silver. Now, just what have we done? We have bought silver at about 60 or 70 cents per ounce. No matter where we keep that silver, it is not sterile, it is at work through its paper representatives—silver certificates. We have put that into the monetary system at $1.29 an ounce. Who gets the benefit? The American Government gets part of it through seigniorage profits, and stagnant business gets a stimulus through these new silver certificates.

The gentleman who preceded me talked about former kings who used to fleece their subjects by debasing the coinage. He says we have a gentler term for it—we merely speak of devaluation—but I want to tell you that in the days when kings, like old Henry VIII, changed the coinage they pocketed the difference, but when we change the coinage the Government of the United States pockets the difference for the benefit of all of us, instead of a few of us. Where did that $2,000,000,000 in this stabilization fund come from?

It is a part of the monetary gain to the Treasury of the United States because of the devaluation of the dollar 40 percent. We might have reduced our debt in that amount if we had seen fit, but, instead of doing so, we saw fit to put that sum in the hands of the Secretary of the Treasury so that he might take care of our foreign trade, as he has done.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield further?

Mr. MURDOCK of Arizona. I will be very glad to yield.

Mr. WHITE of Idaho. Is it not a fact that almost all the mining companies pay about 30 percent of their income to the Government in some form of taxation?

Mr. MURDOCK of Arizona. As I said before, mining is basic in the West, and while I am not competent to say exactly, I think probably the gentleman is correct.

Mr. WHITE of Idaho. And, as a matter of fact, the metal that is produced in this country and used for money increases the Government's taxable income, whereas metal produced in other countries does not?

Mr. MURDOCK of Arizona. In the little town of Chloride, Ariz., 500 men have been working. Some 150 of them are not working now because we dropped the price of silver.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I will be glad to yield to the gentleman.

Mr. AUGUST H. ANDRESEN. Would the gentleman have any objection to an amendment which would provide for the continuation of the Government purchase of domestic silver and the discontinuance of the purchase of foreign silver, and suppose we raised the domestic price to 77 or 80 cents?

Mr. MURDOCK of Arizona. Now, are you enticing me? [Laughter.]

Mr. AUGUST H. ANDRESEN. No; not at all, because we have purchased nearly 2,000,000,000 ounces of foreign silver and only a small quantity of domestic silver.

Mr. MURDOCK of Arizona. I am more interested in the domestic silver, of course, but I am not competent to say about foreign silver, because I do not have all the facts at my command in regard to foreign trade. I do want this purchase of domestic silver to continue, because a large proportion of our West depends upon the price of silver. You understand that the great copper-mining camps of the West have silver as their byproduct, and I know of great camps like Superior, Ariz., where the silver which they produce is their cream or profit.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I will be glad to yield to the gentleman.

Mr. VOORHIS of California. Would not the gentleman agree that so far as the purchase of foreign silver is concerned, it is primarily a measure taken in order to stimulate foreign trade with the nation from which it is bought? It gives those nations American exchange and thus helps Americans who have goods to sell to them.

Mr. MURDOCK of Arizona. I have heard a good deal about stimulating foreign trade and exchanging cotton for foreign silver, but that, of course, is another proposition.

Mr. VOORHIS of California. May I ask the gentleman a further question?

Mr. MURDOCK of Arizona. I will be very glad to have the gentleman do so.

Mr. VOORHIS of California. A great deal has been said about sound money. From the standpoint of the people of the United States, does not the gentleman agree that sound money is money that maintains a constant value in terms of the commodities that our people produce and buy?

Mr. MURDOCK of Arizona. That is a correct definition, as I see it.

[Here the gavel fell.]

Mr. SOMERS of New York. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MURDOCK of Arizona. In conclusion, let me say to the Committee that I, too, want a stable dollar, not a rubber dollar. I want one that is of constant purchasing power, one which the investing public may use with some sense of security. If we will but make a wider use of both gold and silver, as the fathers directed us to do, we shall be less dependent upon our banks. I recognize the importance and need of banks in our complex industrial society to facilitate exchange and to perform other vital economic functions, but not to perform the sovereign function of supplying and controlling the Nation's money.

I am convinced that we can have a Government-controlled money; and not only do I think we can have such, but I think it is our constitutional duty as the national lawmaking body to see that we do have it and not depend on any small set of businessmen—the banks, for instance—to furnish us that money. That is the thing for which I plead, in a national sense, more than for my own silver-producing State, though, as you know, I have a strong local interest in that silver-producing State. [Applause.]

Mr. REED of Illinois. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I listened with interest to the chairman of the Committee on Rules [Mr. SABATH] this morning when he gave credit to the Democratic Party for the rise in agricultural prices and the promotion of trade because of the passage of the Gold Reserve Act back in 1934. The Chicago Tribune a few days ago in its main editorial has this to say:

GOVERNMENT REGULATION OF BUTTER

Butter last week sold at the lowest price since 1933, and before 1933 butter had not reached the price levels except on one occasion in the present century.

That is typical of the agricutural prices at the present time. Wheat is selling around 67 cents, corn around 47 cents, and cotton at 8½ cents. When the Gold Reserve Act went into effect we were shipping between eight and ten million bales of cotton abroad. Now we are selling around 4,000,000 bales, and probably only three and a half million this year. Nevertheless, the gentleman from Illinois has claimed credit for these almost all-time low levels for agricultural products as a result of the passage of the Gold Act. What actually has this Gold Reserve Act done for the American people? When we went off the gold standard, we had $4,000,000,000 worth of gold. By going off the gold standard and depreciating the dollar we increased that by $2,800,000,000 more, or a total of $6,800,000,000 of gold. Since that time we have bought from foreign lands $8,000,000,000 of gold at $35 an ounce. Seventy percent of that gold is produced in the British Empire, and a large part of it is produced in South Africa at around $18 to $20 an ounce.

We pay the British Empire $35 an ounce for this gold, almost twice the cost of production. In my humble opinion, this $16,000,000,000 gold fiasco is the most incredible act and the most fantastic act under the New Deal. We have turned the American people into a milch cow, to be milked by foreign nations. We have erected a golden calf to worship, which is of no more use to us than was the golden calf set up in the time of Moses. We pay double the price for gold from foreign lands, which is dug out of the ground in South Africa, and we bring it over here and we bury it again in the ground out in the State of Kentucky, where we have almost $16,000,000,000 of gold. It feeds nobody. We cannot eat this gold. It clothes nobody. It helps nobody to get a job. It houses nobody, and yet every day this gold rush to America continues. We are the Santa Claus of the world; we are the angels to the gold-producing nations of Africa and to such nations as Soviet Russia, Australia, and Canada, and for those countries like England, France, and Holland, who have unloaded their large gold reserves on us at $35 an ounce.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. FISH. For a brief question.

Mr. WHITE of Idaho. The gentleman speaks of burying the gold. How much gold was in actual circulation during the Harding, Hoover, and Coolidge administrations?

Mr. FISH. I have told the gentleman. We had $4,000,000,000 worth of gold, ample gold to stay on the gold standard. We were on the gold standard in those days.

Mr. WHITE of Idaho. Did the gentleman see any gold in circulation?

Mr. FISH. The gentleman and myself or anybody else could then go to a bank and get a dollar in gold in exchange for a paper dollar whenever he wanted it, but confidence was such that the American people did not want the gold. Our money was backed up by an ample gold reserve, and I say to the Republican Members of the House that there is no reason in the world why we should not put this hoarded gold back in circulation, which is now buried in Kentucky, and let people go to the banks and get gold as they did under the Republican administration. I doubt if they would withdraw one billion out of the fifteen and a half billions.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. SCHAFER of Wisconsin. Does the gentleman think it is about time that Congress stopped being a rubber stamp for both President Roosevelt and Secretary Morgenthau and the international bankers, and stopped playing Santa Claus to the international bankers' associations in other lands?

Mr. FISH. I say to the gentleman, that President Roosevelt and the Secretary of the Treasury, Mr. Morgenthau, are the two men responsible for this gold fiasco. They are its sponsors. They have a bear by the tail and they do not know how to let go. They do not know what to do with this gold today. They cannot sell it, and we are acquiring more and more gold. When I spoke on this subject 2 years ago, we had over 50 percent of the gold of the entire world, hampering and undermining world trade, because there was not sufficient foreign exchange to carry it on, a most unhealthy and unnatural situation.

Today we have almost two-thirds of the gold in the world, and if we continue this fantastic scheme of buying foreign gold at $35 an ounce when it is produced at $10 an ounce in Soviet Russia and $18 or $19 an ounce in Africa, we will have 75 to 90 percent of the gold of the world by 1940. Then what will gold be worth? Then those nations without any gold will say, "We have no more use for gold. We must have another medium of exchange." We will have no more use for gold as a monetary value. We will then be holding most of the gold in the world, and it would not be of any more use than holding so much iron. It would not be as much use as holding tin. We cannot afford to continue to monopolize and hoard gold, as it will lead to financial chaos and to world economic disaster.

We on the minority side have a perfect right to ask, "What do you propose to do with this gold? Are you going to continue to buy foreign gold at $35 an ounce?"

I am not opposed to buying American-produced gold at $35 an ounce. I am not opposed to subsidies for our own gold and silver producers. Great Britain owes us $5,000,000,000 in war debts, and we have already given her two and a half billion dollars more in profit on gold that we have purchased from her subjects. Her whole armament program can be paid for out of the profits they make by our inane policy of buying their gold at twice the cost of production. It is such things as that to which I object, of squandering our resources to buy gold from foreign nations at an artificial and arbitrary price, enriching them and impoverishing ourselves.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield for a question?

Mr. FISH. Yes; I yield.

Mr. MURDOCK of Arizona. Is it not true that during the World War we sold silver which we had piled up in the country since 1878 at a profit?

Mr. FISH. I do not want to talk about silver, because that is a mere flea bite. That is as nothing compared to this fantastic gold-buying and hoarding program by the New Deal theorists. One amounts to millions; the other amounts to billions.

[Here the gavel fell.]

Mr. REED of Illinois. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. FISH. No; I cannot yield any more.

The issue before us in this House, however, is not the gold issue. The main issue today and the question when we vote upon this bill is whether the Congress wants to continue to relinquish its right to control and regulate the value of the dollar. The issue is, whether we will take back from the President some of the monetary powers we have already conferred on him and restore representative government in the United States. That is the main issue. The Silver Act permits the President to buy from the domestic and home producers silver at a certain price. We empowered the President to buy our silver at a price higher than the prevailing price on foreign markets. The stabilization fund is not involved. We Republicans are not opposing continuation of the stabilization fund. We do not like

its secrecy. We think it is un-American. We want a proper and adequate audit of the stabilization fund. We want reports made every 6 months or so to the Congress of the United States, with an adequate audit of the stabilization fund. The main issue is to restore to Congress the control and regulation of the value of money, and to take that power back from the President which he now has, to reduce the price of the dollar from 59 cents to 50 cents. Already there is fear and dread throughout the land. We have idle capital, idle wealth, and idle manpower. If you want to put that idle wealth and idle capital together to provide employment for our idle wage earners, we must restore confidence and do away with the fear that now exists by taking back from the President this power to devalue the dollar which tends to create business uncertainty and to continue these unstable conditions and fear in America. [Applause.]

[Here the gavel fell.]

Mr. SOMERS of New York. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 3325, had come to no resolution thereon.

LEAVE OF ABSENCE

Leave of absence was granted to Mr. BLAND, Mr. HART, and Mr. WELCH for April 19 and 20 to attend a meeting of the Board of Visitors of the Coast Guard Academy.

EXTENSION OF REMARKS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial appearing in today's Herald-Tribune.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include therein a letter, a portion of which I read.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 224. Joint resolution to authorize the painting of the signing of the Constitution for placement in the Capitol Building.

The SPEAKER also announced his signature to enrolled bills of the Senate of the following titles:

S. 961. An act for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont.; and

S. 1574. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Pittsburgh, Pa., from August 27 to September 1, inclusive, 1939.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 136. An act to authorize contingent expenditures, United States Coast Guard Academy;

H. R. 534. An act for the relief of Hallie H. Woods;

H. R. 590. An act for the relief of Macey N. Bevan;

H. R. 2056. An act for the relief of the Shipowners & Merchants Towboat Co., Ltd.;

H. R. 2064. An act for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings;

H. R. 2073. An act to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes;

H. R. 2595. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.;

H. R. 3655. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931;

H. R. 3946. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1939 Reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939, and for other purposes;

H. R. 4830. An act to amend the act approved April 27, 1937, entitled "An act to simplify accounting;" and

H. R. 5482. An act to increase the authorization for appropriations for the administration of State unemployment compensation laws.

ADJOURNMENT

Mr. SOMERS of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 19, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Wednesday, April 19, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by Mrs. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (by Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (by Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by Mr. LUDLOW); House bill 4232, to limit the traffic in war munitions, to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan, to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of

Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

Open hearings will continue from Wednesday, April 19, to April 26, beginning at 10 a. m. each day, with the exception of Saturday, April 22.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 19, 1939, at 10:30 a. m., for the consideration of H. R. 1958, H. R. 2564, H. R. 2777, H. R. 4080, H. R. 4096, H. R. 4498, H. R. 5409, and H. J. Res. 117.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m., Wednesday, April 19, 1939, for the consideration of H. R. 5765, "To authorize commissioning of aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes."

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. on Tuesday, April 25, 1939, for the consideration of H. R. 1827, to allow moving expenses to employees of the Railway Mail Service, and H. R. 4322, giving clerks in the Railway Mail Service the benefits of a holiday known as Armistice Day.

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m., Wednesday, April 26, 1939, for the consideration of H. R. 2209 and H. R. 5278, bills to place postmasters of the fourth class on an annual salary basis.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Wednesday, April 26, 1939. Business to be considered: Hearing on S. 1302, petroleum shipments.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, April 19, 1939, at 10 a. m., the Committee on Merchant Marine and Fisheries will resume hearings on the bill (H. R. 5130) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

This is to advise all interested parties that the features of this bill regulating terminal and port charges will not be considered on the 19th, and witnesses who desire to appear on this phase of the bill need not come. However, if there are present on the 19th any witnesses who wish to testify on this subject, they will be heard at that time rather than inconvenience them by requiring them to testify later.

On Tuesday, April 25, 1939, at 10 a. m., the committee will hold public hearings on the following bills: H. R. 2883, H. R. 2543, H. R. 2558, to increase further the efficiency of the Coast Guard by authorizing the retirement, under certain conditions, of enlisted personnel thereof with 20 or more years of service.

On Wednesday, April 26, 1939, at 10 a. m., the following bills: H. R. 4592, allowing all registered vessels to engage in the whale fishery; H. R. 4593, relating to the whale fishery.

On Thursday, April 27, 1939, on H. R. 4983, to amend sections 712 and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

650. A letter from the Secretary of War, transmitting a draft of a proposed bill to provide for a Deputy Chief of Staff, and for other purposes; to the Committee on Military Affairs.

651. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1940, amounting to $316,330, for the purpose of rendering closer and more effective the relationship between the Government and people of this country and the other American Republics (H. Doc. No. 252); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LANHAM: Committee on Public Buildings and Grounds. House Joint Resolution 171. Joint resolution authorizing the President of the United States to accept on behalf of the United States a conveyance of certain lands on Government Island from the city of Alameda, Calif., and for other purposes; with amendment (Rept. No. 421). Referred to the Committee of the Whole House on the state of the Union.

Mr. HEALEY: Committee on the Judiciary. H. R. 1996. A bill to amend the National Stolen Property Act; without amendment (Rept. No. 422). Referred to the House Calendar.

Mr. MURDOCK of Utah: Committee on the Judiciary. H. R. 4372. A bill to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes; without amendment (Rept. No. 423). Referred to the House Calendar.

Mr. DOXEY: Committee on Agriculture. H. R. 169. A bill to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif.; with amendment (Rept. No. 424). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. H. R. 2009. A bill to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Angeles National Forest, Calif.; with amendment (Rept. No. 425). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. H. R. 2417. A bill to facilitate control of soil erosion and/or flood damage originating upon lands within the exterior of boundaries of Sequoia National Forest, Calif.; with amendment (Rept. No. 426). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 3796. A bill to extend the period of restrictions on lands of the Quapaw Indians, Oklahoma, and for other purposes; with amendment (Rept. No. 427). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 5379. A bill to amend the act entitled "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes," approved June 25, 1938; with amendment (Rept. No. 428). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 5762. A bill to amend the Federal Food, Drug, and Cosmetic Act; with amendment (Rept. No. 429). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KEEFE: Committee on Claims. S. 1515. An act for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co. of New Orleans; with amendment (Rept. No. 411). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 1876. A bill for the relief of Nadine Sanders; with amendment (Rept. No. 412). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 1883. A bill for the relief of Marguerite Kuenzi; with amendment (Rept. No. 413). Referred to the Committee of the Whole House.

Mr. HALL: Committee on Claims. H. R. 2058. A bill for the relief of Jessie Denning Van Eimeren, A. C. Van Eimeren, and Clara Adolph; without amendment (Rept. No. 414). Referred to the Committee of the Whole House.

Mr. KEEFE: Committee on Claims. H. R. 2071. A bill for the relief of Howard E. Dickison; with amendment (Rept. No. 415). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 2097. A bill for the relief of Homer C. Stroud; with amendment (Rept. No. 416). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 2345. A bill for the relief of R. H. Gray; with amendment (Rept. No. 417). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 2346. A bill for the relief of Virgil Kuehl, a minor; with amendment (Rept. No. 418). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2583. A bill for the relief of A. W. Evans; with amendment (Rept. No. 419). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Claims. H. R. 2903. A bill for the relief of Jake C. Aaron and Thomas W. Carter, Jr.; with amendment (Rept. No. 420). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1924) granting an increase of pension to Almira Kshinka; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 2216) granting a pension to Katherine R. Salmon; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 3250) granting an increase of pension to Charles M. Porter; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5014) for the relief of Isaac Rosenbaum & Sons, Inc., of Louisville, Ky.; Committee on War Claims discharged, and referred to the Committee on Claims.

A bill (H. R. 5702) granting a pension to Isaac A. Chandler; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McREYNOLDS:

H. R. 5835. A bill to authorize the President to render closer and more effective the relationship between the American Republics; to the Committee on Foreign Affairs.

By Mr. KITCHENS:

H. R. 5836. A bill to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. KRAMER:

H. R. 5837. A bill to amend section 221 of the Shipping Act, barring certain aliens from participating in the benefits thereof; to the Committee on Merchant Marine and Fisheries.

H. R. 5838. A bill to amend section 168 of the immigration laws so as to restrict certain alien seamen landing in the United States; to the Committee on Immigration and Naturalization.

By Mr. ALLEN of Louisiana:

H. R. 5839. A bill to promote the peace of the United States; to the Committee on Immigration and Naturalization.

By Mr. FADDIS:

H. R. 5840. A bill to amend the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936; to the Committee on Military Affairs.

By Mr. PATRICK:

H. R. 5841. A bill to amend the Social Security Act so as to provide further aid to the blind; to the Committee on Ways and Means.

By Mr. SHAFER of Michigan:

H. R. 5842. A bill to exempt county fairs and agricultural societies from the Social Security Act; to the Committee on Ways and Means.

By Mr. SUMNERS of Texas:

H. R. 5843. A bill to amend the Judicial Code in respect to the jurisdiction of the Court of Claims in certain cases; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 5844. A bill to aid in the national defense by developing a civilian air reserve in the United States with basic military training, by providing for a pilot training program, and authorizing an appropriation therefor; to the Committee on Military Affairs.

By Mr. CLARK:

H. R. 5845. A bill to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County; to the Committee on Merchant Marine and Fisheries.

By Mr. MARTIN of Colorado:

H. R. 5846. A bill to authorize the construction of works for flood control and other purposes on the Rio Grande and tributaries in the State of Colorado; to the Committee on Flood Control.

By Mr. OSMERS:

H. R. 5847. A bill to define the order of the selective draft in time of war; to the Committee on Military Affairs.

H. R. 5848. A bill to amend the Social Security Act of 1935 (Public, No. 271, 74th Cong.); to the Committee on Ways and Means.

By Mr. FENTON:

H. R. 5849. A bill to provide for the rehabilitation of the anthracite-coal industry by providing for the establishment and operation of a research laboratory in the Pennsylvania anthracite region for research and investigation relating to the mining, preparation, and utilization of anthracite coal, with special reference to increasing efficiency, conservation of resources, development of new uses, markets, and matters pertaining thereto; and to further provide for safety and health in anthracite mining; to the Committee on Mines and Mining.

By Mr. SCHWERT:

H. R. 5850. A bill relating to the credit allowable against certain taxes for the calendar year 1937 imposed by section 901 of the Social Security Act; to the Committee on Ways and Means.

By Mr. ROGERS of Oklahoma:

H. R. 5851 (by departmental request). A bill to modify the provisions of section 10 of the act of June 30, 1834, and section 10 of the act of June 22, 1874, relating to the Indians; to the Committee on Indian Affairs.

By Mr. JOHN L. McMILLAN:

H. J. Res. 267. Joint resolution for the relief of certain persons conducting farming operations whose crops were destroyed by hailstorms; to the Committee on Agriculture.

By Mr. DEMPSEY:

H. Res. 169. Resolution to amend rule XXXV of the rules of the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of Puerto Rico, memorializing the President and the Congress of the United States to consider their resolution to promote ade-

quate legislation for reasonable compensation to the expeditionary laborers who went to various places in the United States in 1918 to engage in war industries; to the Committee on War Claims.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Joint Resolution 1, with reference to citizenship of all persons residing in the Territory of Hawaii; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 11, with reference to the Adams-Ellender bill (S. 69), concerning sugar allotments; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASEY of Massachusetts:

H. R. 5852. A bill for the relief of Constantinos Georgiades; to the Committee on Immigration and Naturalization.

By Mr. CHURCH:

H. R. 5853. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Robert Henry Parry, trading as American Ladies and Gentlemen's Designing School, and for other purposes; to the Committee on Claims.

By Mr. CRAWFORD:

H. R. 5854. A bill for the relief of Earl Friend; to the Committee on Claims.

By Mr. KELLY:

H. R. 5855. A bill for the relief of Ambrose William Cocks; to the Committee on Naval Affairs.

By Mr. KITCHENS:

H. R. 5856. A bill for the relief of Abner E. McGuire; to the Committee on Claims.

By Mr. McCORMACK:

H. R. 5857. A bill to amend private act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation"; to the Committee on Claims.

By Mr. McLAUGHLIN:

H. R. 5858. A bill for the relief of Walter Petersen; to the Commitee on Claims.

H. R. 5859. A bill for the relief of Harry Goff; to the Committee on Claims.

By Mr. PATRICK:

H. R. 5860. A bill for the relief of James T. Rogers; to the Committee on Claims.

By Mr. REED of New York:

H. R. 5861. A bill granting an increase of pension to Adelia A. Truesdell; to the Committee on Invalid Pensions.

By Mr. SHAFER of Michigan:

H. R. 5862. A bill for the relief of J. H. McLaughlin; to the Committee on Claims.

By Mr. SASSCER:

H. R. 5863. A bill for the relief of Epifanio Rivera; to the Committee on Claims.

By Mr. TERRY:

H. R. 5864. A bill for the relief of Carl W. Lessing; to the Committee on Military Affairs.

H. R. 5865. A bill for the relief of Grundy C. Lingle; to the Committee on Claims.

By Mr. TREADWAY:

H. R. 5866. A bill for the relief of Howard Daury; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2585. By Mr. ALEXANDER: Petition of the State Legislature of Minnesota, to relieve the farmers from cash payment of their notes given for feed in drought years of 1933–34; to the Committee on Agriculture.

2586. By Mr. ANGELL: Memorial of the Legislature of the State of Oregon, requesting Oregon's representatives in Congress to oppose any action upon the part of the Federal Government tending to deprive the State of Oregon of its rights over the nonnavigable waters of the State and over navigable waters of the State, except as the Federal Government has exercised jurisdiction and control over such navigable streams for navigation purposes; to the Committee on the Judiciary.

2587. Also, petition of some 1,000 citizens of Multnomah County, Oreg., including members of Townsend Club, No. 69, asking for the enactment of House bill 2 and Senate bill 3, the Townsend plan; to the Committee on Ways and Means.

2588. By Mr. HANCOCK: Petition of Frances J. C. Shaw and other residents of Tully, N. Y., favoring legislation to prohibit radio advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

2589. By Mr. MARTIN J. KENNEDY: Petition of Vadsco Sales Corporation, Long Island City, N. Y., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2590. Also, petition of General Foods Corporation, New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2591. Also, petition of Standard Brands, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2592. Also, petition of Cyclax of London, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2593. Also, petition of Carroll Dunham Smith Pharmacal Co., Orange, N. J., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2594. Also, petition of Parfums Ciro, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2595. Also, petition of Marry Chess, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2596. Also, petition of Coty, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2597. Also, petition of Lodge No. 573, International Association of Machinists, Detroit, Mich., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2598. Also, petition of Lodge No. 1445, International Association of Machinists, Cortland, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2599. Also, petition of Local Union, No. 77, Milwaukee, Wis., International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2600. Also, petition of Maas & Waldstein Co., Newark, N. J., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2601. By Mr. LUCE: Petition of Dorothy Brewer Chapter, Daughters of the American Revolution, Waltham, Mass., regarding registration of aliens; to the Committee on the Judiciary.

2602. By Mr. PFEIFER: Petition of the Newspaper Guild of New York, Local 3, New York City, concerning the National Labor Relations Act; to the Committee on Labor.

2603. Also, petition of the Fargo Branch, Women's International League for Peace and Freedom, Fargo, N. Dak., urging consideration of the Nye-Clark-Bone bill; to the Committee on Foreign Affairs.

2604. Also, petition of the Women's International League for Peace and Freedom, Ithaca, N. Y., favoring strict mandatory neutrality legislation; to the Committee on Foreign Affairs.

2605. By Mr. SHAFER of Michigan: Petition of the Michigan Unemployment Compensation Commission, requesting Congress to adopt a bill to extend the time for the obtaining of credit allowance of 90 percent under title IX of the Social Security Act; to the Committee on Ways and Means.

2606. By Mr. VAN ZANDT: Petition of the Reverend Edward C. Reeve and others, of Clearfield, Pa., urging the Government to stop the shipping of all weapons and war materials to Japan, the aggressor nation in the present Sino-Japanese war; to the Committee on Foreign Affairs.

2607. Also, petition of the members of the Pride of Altoona Council, No. 116, Daughters of America, Mrs. Amber P. Hawk, recording secretary, protesting against the passage of House bill 3517 and declaring it to favor the union of church and state and the establishing of a totalitarian school system; and disapproving Senate Joint Resolution No. 64, providing for the admission of 20,000 immigrant alien refugees in addition to the now existing quota; to the Committee on Immigration and Naturalization.

2608. By the SPEAKER: Petition of the United Federal Workers of America, Wheeling, W. Va., petitioning consideration of their resolution with reference to hearings on retirement legislation; to the Committee on the Civil Service.

SENATE

WEDNESDAY, APRIL 19, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou who alone art holy and hast written Thy law in our hearts that we might have discernment and knowledge of that which is good: Grant to us, we beseech Thee, the guidance of Thy spirit, that we may cherish and follow the truth as revealed in the life of the Son of Man and obey that which speaks to us with authority in our higher moods, that, fashioning our lives by His life, we may contribute by our action and influence to the bettering of the world and to the happiness of others.

Forgive, dear Lord, our misspent days, our vain complaints, our too feeble interests in the progress of mankind; and grant that from this day we may redeem the time in purer, finer service, content only in the faith that Thou art leading us and teaching us the while, and that in this way we shall come through the night to the dawn, to a city that hath foundations, to a city of light which Thou hast prepared for Thy faithful children. Grant this our prayer for the sake of Thy dear Son, Jesus Christ. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 17, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (S. 1871) to prevent pernicious political activities.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR of Colorado, Mr. WOODRUM of Virginia, Mr. CANNON of Missouri, Mr. LUDLOW, Mr. THOMAS S. MCMILLAN, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR of Colorado, Mr. JOHNSON of Oklahoma, Mr. SCRUGHAM, Mr. FITZGERALD, Mr. LEAVY, Mr. RICH, Mr. CARTER, and Mr. WHITE of Ohio were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 961. An act for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont.; and

S. 1574. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Pittsburgh, Pa., from August 27 to September 1, inclusive, 1939.

PREVENTION OF PERNICIOUS POLITICAL ACTIVITIES

Mr. GUFFEY. Mr. President, I ask leave to withdraw the motion entered by me on the 17th instant to reconsider the vote by which Senate bill 1871, to prevent pernicious political activities, was passed on Thursday last.

I further wish to say for the information of my colleagues that I have conferred with the Senator from New Mexico [Mr. HATCH], and he and I have reached an understanding as to section 9 of the bill.

The VICE PRESIDENT. Is there objection to the withdrawal of the motion? The Chair hears none, and the motion is withdrawn.

Mr. HATCH. Mr. President, I merely wish to say that, as the Senator from Pennsylvania has stated, he and I did confer at length on yesterday concerning this measure. As I stated on the floor day before yesterday, it was not my thought or belief at any time that section 9 related to policy-making officials such as the members of the President's Cabinet, and I am perfectly willing that policy-making officials should be excluded from the provisions of section 9 and will be glad to assist in working out the proper amendments to bring about that end.

The VICE PRESIDENT. The motion to reconsider having been withdrawn, Senate bill 1871, which has been sent back to the Senate in compliance with its request, will be returned to the House of Representatives.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Reed
Andrews	Donahey	Johnson, Colo.	Reynolds
Ashurst	Downey	King	Russell
Austin	Ellender	La Follette	Schwartz
Bankhead	Frazier	Lee	Schwellenbach
Barbour	George	Lodge	Sheppard
Barkley	Gerry	Logan	Shipstead
Bilbo	Gibson	Lundeen	Smathers
Bone	Gillette	McCarran	Stewart
Borah	Glass	McKellar	Taft
Bridges	Green	McNary	Thomas, Okla.
Brown	Guffey	Mead	Thomas, Utah
Bulow	Gurney	Miller	Townsend
Burke	Hale	Minton	Truman
Byrd	Harrison	Murray	Tydings
Byrnes	Hatch	Neely	Vandenberg
Capper	Hayden	Norris	Wagner
Caraway	Herring	O'Mahoney	Walsh
Clark, Idaho	Hill	Overton	Wheeler
Clark, Mo.	Holman	Pepper	Wiley
Connally	Holt	Pittman	
Danaher	Hughes	Radcliffe	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is unavoidably detained from the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from South Carolina [Mr. SMITH], and the Senator from Illinois [Mr. LUCAS] are absent on important public business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Connecticut [Mr. MALONEY] are members of